HOUSE No. 3702

The committee on Ways and Means to whom was referred the Bill establishing expanded gaming in the commonwealth (House, No. 3697), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 3702). September 6, 2011.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act establishing expanded gaming in the commonwealth.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to provide for economic investments and job creation in the commonwealth, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. To provide for certain unanticipated obligations of the commonwealth, to

- 2 provide for an alteration of purpose for current appropriations, and to meet certain requirements
- 3 of law, the sums set forth in section 2A are hereby appropriated from the General Fund, unless
- 4 specifically designated otherwise, for the several purposes and subject to the conditions specified
- 5 in this section and to laws regulating the disbursement of public funds for the fiscal year ending
- 6 June 30, 2012; provided, however, that notwithstanding any general or special law to the
- 7 contrary, appropriations made herein shall not revert and shall be available for expenditure until
- 8 June 30, 2013. The sums shall be in addition to any amounts previously appropriated and made
- 9 available for the purposes of these items.
- 10 SECTION 2A.
- 11 OFFICE OF THE GOVERNOR
- 12 0411-1004 To provide for certain costs associated with the implementation of expanded
- 13 gaming in the commonwealth, including, but not limited to, costs related to legal, financial and
- 14 other professional services required for the negotiation and execution of a compact with a

	federally recognized Indian tribe in the commonwealth to establish a tribal casino in region C\$5,000,000
17 18 19	SECTION 3. Section 7 of chapter 4 of the General Laws is hereby amended by striking out clause Tenth, as appearing in the 2008 Official Edition, and inserting in place thereof the following clause:-
20 21 22 23 24 25 26	Tenth, "Illegal gaming," a banking or percentage game played with cards, dice, tiles or dominoes, or an electronic, electrical or mechanical device or machine for money, property, checks, credit or any representative of value, but excluding: (i) a lottery game conducted by the state lottery commission, under sections 24, 24A and 27 of chapter 10; (ii) a game conducted under chapter 23K; (iii) pari-mutuel wagering on horse races under chapters 128A and 128C and greyhound races under said chapter 128C; (iv) a game of bingo conducted under chapter 271; and (v) charitable gaming conducted under said chapter 271.
27	SECTION 4. Section 48 of chapter 6 of the General Laws is hereby repealed.
28 29 30	SECTION 5. Section 35 of chapter 10 of the General Laws, as appearing in the 2008 Official Edition, is amended by inserting after the word "Lottery", in lines 2 and 16, each time it appears, the following words:- "and Gaming.
31 32 33	SECTION 6. Section 39 of said chapter 10, as so appearing, is hereby amended by inserting after the word "Lottery", in lines 13 and 19, each time it appears, the following words: and Gaming.
34	SECTION 7. Sections 64 and 65 of said chapter 10 are hereby repealed.
35 36	SECTION 8. Said chapter 10 is hereby further amended by inserting after section 72 the following section:-
37 38 39	Section 72A. The commissioner of the alcoholic beverages control commission shall establish a gaming liquor enforcement unit whose responsibilities shall include enforcing, regulating and controlling the distribution of alcoholic beverages in a gaming establishment.
40 41 42 43 44	The gaming liquor enforcement unit shall work in conjunction and cooperation with the investigations and enforcement bureau within the Massachusetts gaming commission established in chapter 23K. The commissioner shall assign investigators and employees of the unit to the bureau, who shall report to the director of the bureau and to the commissioner; provided, however, that the Massachusetts gaming commission shall designate the number of investigators
45 46 47 48	and employees necessary to staff the unit. No investigator or employee of the unit, other than in the performance of official duties, shall place a wager in a gaming establishment licensed under chapter 23K. The commissioner shall establish a program to rotate investigators in and out of the unit. The alcoholic beverages control commission shall be reimbursed by the Massachusetts

- gaming commission for the costs of operating the unit; provided, however, that the
- Massachusetts gaming commission shall have final approval over the budget of the unit.
- 51 SECTION 9. Chapter 12 of the General Laws is hereby amended by inserting after 52 section 11L the following section:-
- 53 Section 11M. (a) As used in this section the following words shall, unless the context 54 clearly requires otherwise, have the following meanings:
- 55 "Commission", the Massachusetts gaming commission established in chapter 23K.
- 56 "Division", the division of gaming enforcement established in subsection (b).
- 57 "Gaming establishment", as defined in section 1 of chapter 23K.

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- 58 (b) There shall be in the department of the attorney general a division of gaming 59 enforcement. The attorney general shall designate an assistant attorney general as the director of 60 gaming enforcement. The director may appoint and remove, subject to the approval of the 61 attorney general, such expert, clerical or other assistants as the work of the division may require.
- (c) The division shall enforce criminal violations of chapter 23K which shall include, but 63 not be limited to: (1) investigating and prosecuting allegations of criminal activity related to or impacting the operation of gaming establishments or games; (2) receiving and taking appropriate 65 action on referrals for criminal prosecution from the commission or any other law enforcement body; (3) providing assistance, upon request, to the commission in the consideration and promulgation of rules and regulations; (4) ensuring that there shall be no duplication of duties and responsibilities between the division and the commission; and (5) recommending persons to be placed on a list of excluded persons to be maintained by the commission.

70 No employee of the division and no person engaged by the division in the course of an 71 investigation, other than in the performance of their official duties, shall place a wager in a gaming establishment licensed under chapter 23K during the period of their employment or assignment with the division. The attorney general shall establish a code of ethics for all 74 division employees which shall be more restrictive than chapters 268A and 268B. A copy of the 75 code of ethics shall be filed with the state ethics commission. The code shall include provisions 76 reasonably necessary to carry out this section including, but not limited to: (i) prohibiting the 77 receipt of gifts by a division employee from a gaming licensee, applicant, close associate, 78 affiliate or other person or entity subject to the jurisdiction of the commission established by chapter 23K; and (ii) prohibiting the participation by a division employee in a particular matter as defined in section 1 of said chapter 268A that affects the financial interest of a relative within the third degree of consanguinity or any other person with whom such employee has a significant 82 relationship as defined in the code.

- Officers and employees of the gaming enforcement unit in the department state police who are assigned to the division shall record their time and submit their total hours to the director of gaming enforcement. The division shall submit a request for reimbursement to the commission and the commission shall reimburse the department of state police.
- 87 SECTION 10. Chapter 12B of the General Laws is hereby repealed.
- SECTION 11. Subsection (b) of section 9 of chapter 13 of the General Laws is hereby amended by striking out the words ", as well as the state racing commission established by section 48 of chapter 6," inserted by section 29 of chapter 4 of the acts of 2009.
- SECTION 12. Subsection (e) of section 9B of said chapter 13 is hereby amended by striking out the words ", as well as the state racing commission established by section 48 of chapter 6,", inserted by section 30 of said chapter 4.
- SECTION 13. Said subsection (e) of said section 9B of said chapter 13 is hereby further amended by striking out the words "or regulated by the state racing commission, as established by section 48 of chapter 6", inserted by section 31 of said chapter 4.
- 97 SECTION 14. Section 38 of chapter 22C of the General Laws is hereby amended by 98 inserting after the word "involving", in lines 36 and 37, as appearing in the 2008 Official 99 Edition, the following word:- illegal.
- SECTION 15. Said chapter 22C is hereby further amended by adding the following 101 section:-
- Section 70. The colonel of state police shall establish a gaming enforcement unit the responsibilities of which shall include, but not be limited to, the investigation of criminal violations of chapter 23K or any other general or special law pertaining to gaming.
- The gaming enforcement unit shall work in conjunction and cooperation with the investigations and enforcement bureau within the Massachusetts gaming commission to enforce chapter 23K and with the division of gaming enforcement within the office of the attorney general to investigate criminal activity related to gaming. Officers and employees of the unit shall be assigned to the investigations and enforcement bureau and shall report to the deputy director of investigations and enforcement and to the colonel of state police. The colonel shall also assign officers of the unit to the division of gaming enforcement, who shall report to the chief of gaming enforcement and to the colonel of state police. No officer of the unit, other than in the performance of official duties, shall place a wager in a gaming establishment licensed under chapter 23K. The colonel shall establish a program to rotate officers in and out of the unit.
- SECTION 16. The General Laws are hereby amended by inserting after chapter 23J the following chapter:-

117 CHAPTER 23K 118 THE MASSACHUSETTS GAMING COMMISSION 119 Section 1. The General Court finds and declares that: 120 (1) ensuring public confidence in the integrity of the gaming licensing process and in the strict oversight of all gaming establishments through a rigorous regulatory scheme is the 121 122 paramount policy objective of this chapter; 123 (2) establishing the financial stability and integrity of gaming licensees, as well as the integrity of their sources of financing, is an integral and essential element of the regulation and 124 control of gaming under this chapter; 125 126 (3) gaming licensees shall be held to the highest standards of licensing and shall have a 127 continuing duty to maintain their integrity and financial stability; 128 (4) enhancing and supporting the performance of the state lottery and continuing the 129 commonwealth's dedication to local aid is imperative to the policy objectives of this chapter; 130 (5) the commonwealth must provide for new employment opportunities in all sectors of 131 the economy, particularly opportunities for the unemployed, and shall preserve jobs in existing 132 industries in the commonwealth; this chapter sets forth a robust licensing process where applicants for a gaming license shall submit a comprehensive plan for operating a gaming establishment which includes how they will foster and encourage new construction through capital investment and provide permanent employment opportunities to residents of the 136 commonwealth; 137 (6) promoting local small businesses and the tourism industry, including the development of new and existing small business and tourism amenities such as lodging, dining, retail and 138 cultural and social facilities, is fundamental to the policy objectives of this chapter; 139 140 (7) recognizing the importance of the commonwealth's unique cultural and social resources and integrating them into new development opportunities shall be a key component of a decision to the award of any gaming license under this chapter; 142 143 (8) applicants for gaming licenses and gaming licensees shall demonstrate their commitment to efforts to combat compulsive gambling and a dedication to community 144 mitigation, and shall recognize that the privilege of licensure bears a responsibility to identify, 146 address and minimize any potential negative consequences of their business operations; 147 (9) any license awarded by the commission shall be a revocable privilege and may be conditioned, suspended or revoked upon: (i) a breach of the conditions of licensure, including 148 failure to complete any phase of construction of the gaming establishment or any promises made 149 150 to the commonwealth in return for receiving a gaming license; (ii) any civil or criminal

- 151 violations of the laws of the commonwealth or other jurisdictions; or (iii) a finding by the
- 152 commission that a gaming licensee is unsuitable to operate a gaming establishment or perform
- 153 the duties of their licensed position; and
- 154 (10) the power and authority granted to the commission shall be construed as broadly as
- 155 necessary for the implementation, administration and enforcement of this chapter.
- Section 2. As used in this chapter the following words shall, unless the context clearly
- 157 requires otherwise, have the following meanings:-
- "Affiliate", a person who directly or indirectly controls, or is controlled by, or is under
- 159 common control with, a specified person.
- "Applicant", a person who has applied for a license to engage in activity regulated under
- 161 this chapter.
- "Application", a written request for a finding of suitability to receive a license or engage
- in an activity which is regulated under this chapter.
- "Bureau", the investigations and enforcement bureau under the commission.
- "Business", a corporation, sole proprietorship, partnership, limited liability company or
- any other organization formed for the purpose of carrying on a commercial enterprise.
- "Category 1 license", a license issued by the commission that permits the licensee to
- 168 operate a gaming establishment with table games and slot machines.
- "Category 2 license", a license issued by the commission that permits the licensee to
- 170 operate a gaming establishment with no table games and not more than 1,250 slot machines.
- "Capital expenditure", money spent by a gaming licensee to upgrade or maintain
- depreciable and tangible long-term physical assets that are capitalized on the gaming licensee's
- 173 books under generally accepted accounting principles and excluding expenditures or charges for
- 174 the usual and customary maintenance and repair of any fixed asset.
- "Cashless wagering system", a method of wagering and accounting in which the validity
- and value of a wagering account, promotional account, wagering instrument or wagering credits,
- 177 not including slot machine printed vouchers, are determined, monitored and retained for an
- 178 individual by an electronic system operated and maintained by a gaming licensee which
- 179 maintains a record of each transaction involving the wagering account, promotional account,
- 180 wagering instrument or wagering credits, exclusive of the game or gaming device on which
- 181 wagers are being made, including electronic systems which facilitate electronic transfers of
- 182 money directly to or from a game or gaming device.
- "Chair", the chair of the commission.

184 "Cheat", to alter the selection of criteria which determines the results of a game or the amount or frequency of payment in a game. 185

186 "Cheating and swindling device" or "cheating and swindling game", (i) a coin, token or slug other than a lawful coin or legal tender of the United States or a coin not of the same 187 denomination as the coin intended to be used by the gaming establishment while playing or using 188 a slot machine in a gaming establishment, except that a "cheating and swindling device" shall not 189 190 include a token or similar object which is approved by the commission; (ii) a bogus or 191 counterfeit chip, coin or die; a marked card; a computerized, electronic, electrical, mechanical or 192 magnetic device; tool, drill, wire, key or other device designed, constructed or programmed specifically for: (A) use in obtaining an advantage in a game; (B) opening, entering or affecting 194 the operation of a gaming device; or (C) removing from a slot machine, other gaming device or 195 drop box any money or other contents; (iii) a tool, drill, wire, coin or token attached to a string or 196 wire, or an electronic or magnetic device to facilitate the alignment of a winning combination; or 197 (iv) a gaming device that has been manufactured, serviced, marked, plugged or tampered with, or placed in a condition or operated in a manner to: (1) deceive, or attempt to deceive, the public; or (2) alter, or attempt to alter, the normal random selection of characteristics, the normal chance of the game or the result of the game at a gaming establishment. 200

"Close associate", a person who holds a relevant financial interest in, or is entitled to exercise power in, the business of an applicant or licensee and, by virtue of that interest or 202 power, is able to exercise a significant influence over the management or operation of a gaming establishment or business licensed under this chapter.

- "Commission", the Massachusetts gaming commission established in section 3.
- 206 "Commissioner", a member of the commission.

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- 207 "Complimentary service or item", a service or item provided at no cost or at a reduced 208 cost to a patron of a gaming establishment.
- 209 "Conservator", a person appointed by the commission to temporarily manage the 210 operation of a gaming establishment.
- 211 "Credit card", a card, code or other device with which a person may defer payment of 212 debt, incur debt and defer its payment, or purchase property or services and defer payment 213 therefor, but not a card, code or other device used to activate a preexisting agreement between a person and a financial institution to extend credit when the person's account at the financial institution is overdrawn or to maintain a specified minimum balance in the person's account at the financial institution.

217 218 219	"Credit instrument", a writing which evidences a gaming debt owed to a person who holds a gaming license at the time the debt is created, including any writing taken in consolidation, redemption or payment of a previous credit instrument.
220	"Division", the division of gaming enforcement in the office of the attorney general.
221	"Executive director", the executive director of the Massachusetts gaming commission.
222	"Gambling", the playing of a game by a patron of a gaming establishment.
223 224 225	"Game", a banking or percentage game played with cards, dice, tiles, dominoes or an electronic, electrical or mechanical device or machine played for money, property, checks, credit or any other representative of value which has been approved by the commission.
226 227	"Gaming", dealing, operating, carrying on, conducting, maintaining or exposing any game for pay.
228 229	"Gaming area", the portion of the premises of a gaming establishment in which or on which gaming is conducted.
230 231	"Gaming device" or "gaming equipment", an electronic, electrical or mechanical contrivance or machine used in connection with gaming or a game.
232 233 234 235 236	"Gaming employee", an employee of a gaming establishment who: (i) is directly connected to the operation or maintenance of a slot machine or game taking place in a gaming establishment; (ii) provides security in a gaming establishment; (iii) has access to a restricted area of a gaming establishment; (iv) is connected with the operation of a gaming establishment; or (v) is so designated by the commission.
237 238 239	"Gaming establishment", the premises approved under a gaming license which includes a gaming area and any other nongaming structure related to the gaming area and may include, but shall not be limited to, hotels, restaurants or other amenities.
240 241	"Gaming license", a license issued by the commission that permits the licensee to operate a gaming establishment.
242	"Gaming licensee", a person or entity who holds a gaming license under this chapter.
243 244	"Gaming position", a designated seat or standing position where a patron of a gaming establishment can play a game.
245246247	"Gaming service employee", an employee of a gaming establishment who is not classified as a gaming employee or a key gaming employee, but is required to register with the commission.

"Gaming vendor", a person who offers goods or services to a gaming applicant or gaming licensee on a regular or continuing basis which directly relates to gaming, including, but not limited to, gaming equipment and simulcast wagering equipment manufacturers, suppliers, repairers and independent testing laboratories.

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"Gaming vendor license", a license issued by the commission that permits the licensee to act as a vendor to a gaming establishment.

"Gross revenue" or "gross gaming revenue", the total of all sums actually received by a gaming licensee from gaming operations less the total of all sums paid out as winnings to patrons; provided, however, that the total of all sums paid out as winning to patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot or payout; and provided further, that "Gross revenue" shall not include any amount received by a gaming licensee from simulcast wagering or from credit extended or collected by the gaming 260 licensee for purposes other than gaming.

"Holding company", a corporation, association, firm, partnership, trust or other form of business organization, other than a natural person, which, directly or indirectly, owns, has the power or right to control, or has the power to vote any significant part of the outstanding voting securities of a corporation or other form of business organization which holds or applies for a gaming license; provided, however, that "holding company", in addition to any other reasonable 266 use of the term, shall indirectly have, hold or own any such power, right or security if it does so through an interest in a subsidiary or any successive subsidiaries, notwithstanding how many such subsidiaries may intervene between the holding company and the gaming licensee or applicant.

"Host community", a municipality in which a gaming establishment is located or in which an applicant has proposed locating a gaming establishment.

"Impacted live entertainment venue", a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.

"Institutional investor", any of the following entities having a 5 per cent or greater ownership interest in a gaming establishment or gaming licensee: a corporation, bank, insurance company, pension fund or pension fund trust, retirement fund, including funds administered by a public agency, employees' profit-sharing fund or employees' profit-sharing trust, an association engaged, as a substantial part of its business or operation, in purchasing or holding securities, or any trust in respect of which a bank is a trustee or co-trustee, investment company registered under the federal Investment Company Act of 1940, collective investment trust organized by banks under part 9 of the Rules of the Comptroller of Currency, closed end investment trust, chartered or licensed life insurance company or property and casualty insurance company,

285 investment advisor registered under the federal Investment Advisers Act of 1940, and such other persons as the commission may reasonably determine to qualify as an institutional investor for 287 reasons consistent with this chapter.

"Intermediary company", a corporation, association, firm, partnership, trust or other form of business organization other than a natural person which is a holding company with respect to a corporation or other form of business organization which holds or applies for a gaming license, and is a subsidiary with respect to a holding company.

"Junket", an arrangement intended to induce a person to come to a gaming establishment 293 to gamble, where the person is selected or approved for participation on the basis of the person's ability to satisfy a financial qualification obligation related to the person's ability or willingness 295 to gamble or on any other basis related to the person's propensity to gamble, and pursuant to which, and as consideration for which, any of the cost of transportation, food, lodging, and entertainment for the person is directly or indirectly paid by a gaming licensee or an affiliate of the gaming licensee.

"Junket enterprise", a person, other than an applicant for a gaming license or gaming 300 licensee, who employs or otherwise engages the services of a junket representative in connection with a junket to a licensed gaming establishment, regardless of whether or not those activities occur within the commonwealth.

"Junket representative", a person who negotiates the terms of, or engages in the referral, procurement or selection of persons who may participate in, a junket to a gaming establishment, regardless of whether or not those activities occur within the commonwealth.

"Key gaming employee", an employee of a gaming establishment who is: (i) in a supervisory capacity; (ii) empowered to make discretionary decisions which regulate gaming establishment operations; or (iii) so designated by the commission.

309 "License", a license required under this chapter.

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310 "List of excluded persons", the list of excluded persons maintained by the commission 311 under section 45.

312 "Lottery", the Massachusetts state lottery established in section 24 of chapter 10.

313 "Major policy making position", the executive or administrative head or heads of the 314 commission and any person whose salary equals or exceeds that of a state employee classified in 315 step 1 of job group XXV of the general salary schedule contained in section 46 of chapter 30 and who reports directly to the commission or the administrative head of any bureau or other major 316 administrative unit within the commission and persons exercising similar authority. 317

318 "Non-gaming vendor", a supplier or vendor including, but not limited to, a construction 319 company, vending machine provider, linen supplier, garbage handler, maintenance company, limousine services company, food purveyor or supplier of alcoholic beverages, which provides 320 goods or services to a gaming establishment or gaming licensee, but which is not directly related 321 322 to games.

323 "Operation certificate", a certificate of compliance issued by the commission to the 324 operator of a gaming establishment.

325 "Person", an individual, corporation, association, operation, firm, partnership, trust or 326 other form of business association.

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"Promotional gaming credit", a slot machine or table game credit or other item issued by a gaming licensee to a patron to enable the placement of a wager at a slot machine or table game. 328

"Qualification" or "qualified", the process of licensure set forth by the commission to determine that all persons who have a professional interest in a gaming license, or gaming 330 vendor license, or the business of a gaming licensee or gaming vendor, meet the same standards of suitability to operate or conduct business with a gaming establishment in the commonwealth.

"Slot machine", a mechanical, electrical or other device, contrivance or machine which, upon insertion of a coin, token or similar object therein, or upon payment of any consideration whatsoever, is available to play or operate, the play or operation of which, whether by reason of 335 336 the skill of the operator or application of the element of chance, or both, may deliver or entitle the individual playing or operating the machine to receive cash, or tokens to be exchanged for cash, or to receive merchandise or anything of value, whether the payoff is made automatically from the machine or in any other manner, except that the cash equivalent value of any merchandise or other thing of value shall not be included in determining the payout percentage of a slot machine.

"State police", the department of state police established in chapter 22C.

"Subsidiary", a corporation, a significant part of whose outstanding equity securities are owned, subject to a power or right of control, or held with power to vote, by a holding company or an intermediary company, or a significant interest in a firm, association, partnership, trust or other form of business organization, other than a natural person, which is owned, subject to a power or right of control, or held with power to vote, by a holding company or an intermediary company.

"Surrounding communities", municipalities in proximity to a host community which the commission determines experience or are likely to experience impacts from the development or operation of a gaming establishment, including municipalities from which the transportation infrastructure provides ready access to an existing or proposed gaming establishment.

353 "Table game", a game, other than a slot machine, which is authorized by the commission 354 to be played in a gaming establishment.

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"Transfer", the sale or other method, either directly or indirectly, of disposing of or parting with property or with an interest therein, or with the possession thereof, or of fixing a lien 356 upon property or upon an interest therein, absolutely or conditionally, voluntarily or 357 involuntarily, by or without judicial proceedings, as a conveyance, sale, payment, pledge, 358 mortgage, lien, encumbrance, gift, security or otherwise; provided, however, that the retention of 359 360 a security interest in property delivered to a corporation shall be deemed a transfer suffered by 361 such corporation.

"Wager", a sum of money or representative of value that is risked on an occurrence for which the outcome is uncertain.

Section 3. (a) There shall be a Massachusetts gaming commission which shall consist of 365 5 commissioners, 1 of whom shall be appointed by the governor; 1 of whom shall be appointed by the attorney general who shall have experience in criminal investigations and law and receiver general who shall be appointed by the treasurer and receiver general who shall have 368 experience in corporate finance and securities; and 2 of whom shall be appointed by the approval 369 of 2 of the 3 appointing authorities, 1 of whom shall have experience in legal and policy issues 370 related to gaming and 1 of whom may have professional experience in gaming regulatory administration or gaming industry management. The governor shall designate the chair of the 372 commission. The chair shall serve in that capacity throughout the term of appointment and until a successor shall be appointed. Prior to appointment to the commission, a background investigation shall be conducted into the financial stability, integrity and responsibility of a 375 candidate, including the candidate's reputation for good character, honesty and integrity. No 376 person who has been convicted of a felony shall be eligible to serve on the commission.

- (b) Each commissioner shall be a resident of the commonwealth within 90 days of appointment and, while serving on the commission, shall not: (i) hold, or be a candidate for, federal, state or local elected office; (ii) hold an appointed office in a federal, state, or local government; or (iii) serve as an official in a political party. Not more than 3 commissioners shall be from the same political party.
- 382 (c) Each commissioner shall serve for a term of 5 years or until a successor is appointed 383 and shall be eligible for reappointment; provided, however, that no commissioner shall serve 384 more than 10 years. A person appointed to fill a vacancy in the office of a commissioner shall be appointed in a like manner and shall serve for only the unexpired term of such commissioner. 385 The governor may remove a commissioner if the commissioner: (i) is guilty of malfeasance in 386 387 office; (ii) substantially neglects the duties of a commissioner; (iii) is unable to discharge the powers and duties of the commissioner's office; (iv) commits gross misconduct; or (v) is 388 convicted of a felony. 389

- 390 (d) Three commissioners shall constitute a quorum and the affirmative vote of 3 391 commissioners shall be required for an action of the commission. The chair or 3 members of the commission may call a meeting; provided, however, that notice of all meetings shall be given to each commissioner and to other persons who request such notice. The commission shall adopt regulations establishing procedures, which may include electronic communications, by which a request to receive notice shall be made and the method by which timely notice may be given.
- 396 (e) Commissioners shall receive salaries not greater than three-quarters of the salary of 397 the commissioner of administration under section 4 of chapter 7; provided, however, that the 398 chair shall receive a salary equal to the salary of the commissioner of administration. Commissioners shall devote their full time and attention to the duties of their office. 399

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- (f) The commission shall annually elect 1 of its members to serve as secretary and 1 of its 401 members to serve as treasurer. The secretary shall keep a record of the proceedings of the commission and shall be the custodian and keeper of the records of all books, documents and 402 403 papers filed by the commission and of its minute book. The secretary shall cause copies to be 404 made of all minutes and other records and documents of the commission and shall certify that such copies are true copies, and all persons dealing with the commission may rely upon such 405 406 certification.
- (g) The chair shall have and exercise supervision and control over all the affairs of the 408 commission. The chair shall preside at all hearings at which the chair is present and shall designate a commissioner to act as chair in the chair's absence. To promote efficiency in administration, the chair shall, from time to time, make such division or re-division of the work of the commission among the commissioners as the chair deems expedient.
- 412 (h) All of the commissioners shall, if so directed by the chair, participate in the hearing 413 and decision of any matter before the commission; provided, however, that at least 2 commissioners shall participate in the hearing and decision of matters other than those of formal 415 or administrative character coming before the commission; provided further, that any such matter 416 may be heard, examined and investigated by an employee of the commission designated and 417 assigned by the chair, with the concurrence of 1 other commissioner. Such employee shall make 418 a report in writing relative to the hearing, examining and investigating of every such matter to the commission for its decision. For the purposes of hearing, examining and investigating any 419 such matter, such employee shall have all of the powers conferred upon a commissioner by this 420 421 section. For each hearing, the concurrence of a majority of the commissioners participating in the 422 decision shall be necessary.
- (i) The commission shall appoint an executive director. The executive director shall serve 424 at the pleasure of the commission, shall receive such salary as may be determined by the commission, and shall devote full time and attention to the duties of the office. The executive director shall be a person with skill and experience in management and shall be the executive and 426

427 administrative head of the commission and shall be responsible for administering and enforcing 428 the provisions of law relative to the commission and to each administrative unit thereof. The 429 executive director shall appoint and employ a chief financial and accounting officer and may, 430 subject to the approval of the commission, employ other employees, consultants, agents, and advisors, including legal counsel, and shall attend meetings of the commission. The chief 432 financial and accounting officer of the commission shall be in charge of its funds, books of account and accounting records. No funds shall be transferred by the commission without the approval of the commission and the signatures of the chief financial and accounting officer and the treasurer. In the case of an absence or vacancy in the office of the executive director, or in the 435 436 case of disability as determined by the commission, the commission may designate an acting executive director to serve as executive director until the vacancy is filled or the absence or disability ceases. The acting executive director shall have all the powers and duties of the 439 executive director and shall have similar qualifications as the executive director.

(j) The executive director may, from time to time and subject to the approval of the commission, establish within the commission such administrative units as may be necessary for the efficient and economical administration of the commission and, when necessary for such purpose, may abolish any such administrative unit or may merge any 2 or more units. The 444 executive director shall prepare and keep current a plan of organization of the commission, of the assignment of its functions to its various administrative units, offices and employees and of the places at which and the methods by which the public may receive information or make requests. A current copy of the plan of organization shall be kept on file with the state secretary and in the office of the secretary of administration and finance.

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- 449 (k) The executive director may appoint such persons as the executive director shall 450 consider necessary to perform the functions of the commission; provided, however, that chapter 31 and section 9A of chapter 30 shall not apply to commission employees. If an employee 452 serving in a position which is classified under said chapter 31 or in which an employee has 453 tenure by reason of said section 9A of said chapter 30 shall be appointed to a position within the 454 commission which is not subject to said chapter 31, the employee shall, upon termination of 455 service in such position, be restored to the position which the employee held immediately prior 456 to such appointment; provided, however, that the employee's service in such position shall be 457 determined by the civil service commission in accordance with the standards applied by the commission in administering said chapter 31. Such restoration shall be made without impairment 459 of the employee's civil service status or tenure under said section 9A of said chapter 30 and without loss of seniority, retirement or other rights to which uninterrupted service in such prior position would have entitled such employee. During the period of such appointment, each person so appointed from a position in the classified civil service shall be eligible to take any 463 competitive promotional examination for which such person would otherwise have been eligible.
 - (1) The commission may require a prospective employee to: (i) submit an application and a personal disclosure on a form prescribed by the commission which shall include a complete

466 criminal history, including convictions and current charges for all felonies and misdemeanors; 467 (ii) undergo testing which detects the presence of illegal substances in the body; or (iii) provide 468 fingerprints and a photograph consistent with standards adopted by the state police. The commission shall verify the identification, employment and education of each prospective employee, including: (i) legal name, including any alias; (ii) all secondary and post secondary educational institutions attended regardless of graduation status; (iii) place of residence; and (iv) 472 employment history.

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The commission shall not hire a prospective employee if the prospective employee has: (i) been convicted of a felony or a misdemeanor that, in the discretion of the commission, bears a close relationship to the duties and responsibilities of the position for which employment is sought; (ii) been dismissed from prior employment for gross misconduct or incompetence; or (iii) intentionally made a false statement concerning a material fact in connection with the prospective employee's application to the commission. If an employee of the commission is charged with a felony or misdemeanor while employed by the commission, the commission shall suspend the employee, with or without pay, and terminate employment with the commission upon conviction.

- (m) Chapters 268A and 268B shall apply to the commissioners and to employees of the commission; provided, however, that the commission shall establish a code of ethics for all members and employees that shall be more restrictive than said chapters 268A and 268B. A copy of the code shall be filed with the state ethics commission. The code shall include 486 provisions reasonably necessary to carry out the purposes of this chapter and any other laws subject to the jurisdiction of the commission including, but not limited to: (i) prohibiting the 488 receipt of gifts by commissioners and employees from any gaming licensee, applicant, close associate, affiliate or other person or entity subject to the jurisdiction of the commission; (ii) 490 prohibiting the participation by commissioners and employees in a particular matter as defined in section 1 of said chapter 268A that affects the financial interest of a relative within the third degree of consanguinity or a person with whom such commissioner or employee has a significant 492 relationship as defined in the code; and (iii) providing for recusal of a commissioner in a licensing decision due to a potential conflict of interest.
- (n) Immediately upon assuming office, each commissioner and employee of the 496 commission, except for secretarial and clerical personnel, shall swear or affirm that the commissioner or employee possesses no interest in a person licensed under this chapter. No individual shall be employed by the commission if, during the period commencing 3 years prior to employment, that individual held any direct or indirect interest in, or was employed by, a licensee under this chapter.
- 501 (o) No employee of the commission shall pursue any other business or occupation or 502 other gainful employment outside of the commission without the prior written approval of the

503 commission that such employment shall not interfere or be in conflict with the employee's duties 504 to the commission

- 505 (p) No commissioner shall hold a direct or indirect interest in, or be employed by, an applicant or by a person licensed by the commission for a period of 3 years after the termination 506 507 of employment with the commission.
- 508 (q) No employee of the commission holding a major policy making position shall acquire an interest in, or accept employment with, an applicant or licensee for a period of 2 years after 509 the termination of employment with the commission. 510
- 511 (r) No employee of the commission in a non-major policy making position shall acquire 512 an interest in, or accept employment with, an applicant or licensee under this chapter for a period of 1 year after termination of employment with the commission. 513
- 514 (s) Any commission employee assigned to a gaming establishment shall be considered an 515 essential state employee.
- (t) No commissioner or employee, other than in the performance of the commissioner's or employee's official duties, shall place a wager in a gaming establishment. 517

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- (u) The commissioners and those employees holding major policy-making positions shall be sworn to the faithful performance of their official duties. The commissioners and those 519 employees holding major policy-making positions shall conduct themselves in a manner so as to render decisions that are fair and impartial and in the public interest; avoid impropriety and the appearance of impropriety in all matters under their jurisdiction; avoid all prohibited 523 communications; require staff and personnel subject to their direction and control to observe the same standards of fidelity and diligence; disqualify themselves from proceedings in which their impartiality might reasonably be questioned; and refrain from financial or business dealings 526 which would tend to reflect adversely on impartiality.
- 527 (v) The commissioners and employees shall not own, or be in the employ of, or own any 528 stock in, a business which holds a license under this chapter, nor shall they have, directly or indirectly, a pecuniary interest in, or be connected with, any such business or in the employ or 530 connected with any person financing any such business; provided further, that immediate family members of commissioners and employees holding major policy making positions shall not own, or be in the employ of, or own stock in, any business which holds a license under this chapter. The commissioners and employees shall not personally, or through a partner or agent, render professional services or make or perform any business contract with or for any regulated entity, except contracts made with the commissioners for the furnishing of services, nor shall the 536 commissioners or employees directly or indirectly receive any commission, bonus, discount, gift or reward from a regulated entity.

- 538 (w) Neither the commission nor any of its officers, agents, employees, consultants or 539 advisors shall be subject to sections 9A, 45, 46 and 52 of chapter 30, chapter 31, or to chapter 540 200 of the acts of 1976.
- 541 (x) The Massachusetts gaming commission shall be a commission for the purposes of section 3 of chapter 12.
- Section 4. The commission shall have all powers necessary or convenient to carry out and effectuate its purposes including, but not limited to, the power to:
- 545 (1) appoint officers and hire employees;
- 546 (2) establish, and from time to time amend, a plan of organization that it considers 547 expedient;
- 548 (3) execute all instruments necessary or convenient for accomplishing the purposes of 549 this chapter;
- (4) enter into agreements or other transactions with a person, including, but not limited to, a public entity or other governmental instrumentality or authority in connection with its powers and duties under this chapter;
- (5) appear on its own behalf before boards, commissions, departments or other agencies of municipal, state or federal government;
- 555 (6) apply for and accept subventions, grants, loans, advances and contributions of money, 556 property, labor or other things of value from any source, to be held, used and applied for its 557 purposes;
- 558 (7) provide and pay for advisory services and technical assistance as may be necessary in 559 its judgment to carry out this chapter and fix the compensation of persons providing such 560 services or assistance:
- (8) prepare, publish and distribute, with or without charge as the commission may determine, such studies, reports and bulletins and other material as the commission considers appropriate;
- (9) assure that licenses shall not be issued to, or held by, and that there shall be no material involvement directly or indirectly with, a gaming operation or the ownership thereof, by unqualified, disqualified or unsuitable persons or by persons whose operations are conducted in a manner not conforming with this chapter;
- (10) require an applicant for a position which requires a license under this chapter to apply for such license and approve or disapprove any such application or other transactions, events and processes as provided in this chapter;

- 571 (11) require a person who has a business association of any kind with a gaming licensee 572 or applicant to be qualified for licensure under this chapter;
- 573 (12) develop criteria, in addition to those outlined in this chapter, to assess which applications for gaming licenses will provide the highest and best value to the commonwealth 574 and the region in which a gaming establishment is to be located; 575
- 576 (13) determine which applicants shall be awarded gaming licenses, gaming vendor licenses and other licenses in accordance with this chapter; 577
- 578 (14) determine a suitable debt-to-equity ratio for applicants for a gaming license;
- 579 (15) deny an application or limit, condition, restrict, revoke or suspend a license, registration, finding of suitability or approval, or fine a person licensed, registered, found 580 581 suitable or approved for any cause the commission deems reasonable;

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- (16) monitor the conduct of licensees and other persons having a material involvement, directly or indirectly, with a licensee for the purpose of ensuring that licenses are not issued to or held by and that there is no direct or indirect material involvement with a licensee, by an unqualified or unsuitable person or by a person whose operations are conducted in an unsuitable manner or in unsuitable or prohibited places as provided in this chapter;
- (17) gather facts and information applicable to the commission's obligation to issue, suspend or revoke licenses, work permits or registrations granted for: (i) a violation of this chapter or any regulation adopted by the commission; (ii) willfully violating an order of the commission directed to such person; (iii) the conviction of a criminal offense; or (iv) the violation of any other offense which would disqualify such person from holding a license, work permit or registration;
- (18) conduct investigations into the qualifications of all applicants for employment by the commission and by any regulated entity and all applicants for licensure;
- (19) request and receive from the state police, the criminal history systems board or other 596 criminal justice agencies, including, but not limited to, the Federal Bureau of Investigation and the Internal Revenue Service, such criminal offender record information relating to criminal and background investigations as necessary for the purpose of evaluating employees of, and applicants for employment by, the commission and any regulated entity, and evaluating licensees and applicants for licensure under this chapter;
- (20) be present, through its inspectors and agents, at all times, in gaming establishments for the purposes of: (i) certifying revenue; (ii) receiving complaints from the public relating to 602 the conduct of gaming and wagering operations; (iii) examining records of revenues and procedures and inspecting and auditing all books, documents and records of licensees; (iv)

conducting periodic reviews of operations and facilities for the purpose of regulations adopted thereunder; and (v) exercising its oversight responsibilities with respect to gaming;

- 607 (21) inspect and have access to all equipment and supplies in a gaming establishment or 608 on premises where gaming equipment is manufactured, sold or distributed;
- 609 (22) seize and remove from the premises of a gaming licensee and impound any 610 equipment, supplies, documents and records for the purpose of examination and inspection;
- (23) demand access to and inspect, examine, photocopy and audit all papers, books and records of any affiliate of a gaming licensee or gaming vendor whom the commission suspects is involved in the financing, operation or management of the gaming licensee or gaming vendor; provided, however, that the inspection, examination, photocopying and audit may take place on the affiliate's premises or elsewhere as practicable, and in the presence of the affiliate or its agent;
- 617 (24) require that the books and financial or other records or statements of a gaming 618 licensee or gaming vendor be kept in a manner that the commission considers proper;
- 619 (25) levy and collect assessments, fees and fines and impose penalties and sanctions for 620 the violation of this chapter and the regulations promulgated by the commission;
- 621 (26) collect taxes and fees under this chapter;
- 622 (27) restrict, suspend or revoke licenses issued under this chapter;
- 623 (28) conduct adjudicatory proceedings and promulgate regulations in accordance with 624 chapter 30A;
- 625 (29) hear appeals of the bureau's suspension or revocation of a license;
- 626 (30) refer cases for criminal prosecution to the appropriate federal, state or local authorities;
- 628 (31) issue subpoenas and compel the attendance of witnesses at any place within the 629 commonwealth, administer oaths and require testimony under oath before the commission in the 630 course of an investigation or hearing conducted under this chapter;
- (32) ensure that there is no duplication of duties and responsibilities between the commission and bureau; provided, however, that the commission shall not place any restriction upon the bureau's ability to investigate or prosecute violations of this chapter or the regulations adopted by the commission;
- 635 (33) determine which municipalities are the surrounding communities of a proposed 636 gaming establishment; provided, however, that in making such determination, the commission

- shall consider factors including, but not limited to, population, infrastructure, distance from the gaming establishment and political boundaries;
- 639 (34) establish parameters for elections under clause (13) of section 15;
- (35) maintain an official internet website for the commission;
- 641 (36) monitor any federal activity regarding internet gaming and coordinate with the office 642 of treasurer and receiver general on implementing any measures necessary to protect the 643 commonwealth's lottery and gaming interests;
- 644 (37) adopt, amend or repeal regulations for the administration and enforcement of this 645 chapter;
- 646 (38) act as trustees for any gaming-related trust funds;
- 647 (39) designate impacted live entertainment venues; provided, however, that, in making 648 such designations, the commission shall consider factors including, but not limited to, the 649 venue's distance from the gaming establishment, venue capacity and the type of performances 650 offered by that venue;
- (40) provide assistance to the governor in negotiating a compact with a federallyrecognized Indian tribe in the commonwealth; and
- (41) regulate and enforce the provisions of section 7A of chapter 271 relating to bazaars; provided, however, that nothing in this section shall limit the attorney general's authority over public charities pursuant to the general laws.
- Section 5. (a) The commission shall promulgate regulations for the implementation, administration and enforcement of this chapter including, without limitation, regulations that:
- (1) prescribe the method and form of application which any applicant for licensure shall follow and complete before consideration by the commission;
- 660 (2) prescribe the information to be furnished by an applicant or licensee concerning an applicant or licensee's antecedents, habits, character, associates, criminal record, business activities and financial affairs, past or present;
- (3) prescribe the criteria for evaluation of the application for a gaming license including, with regard to the proposed gaming establishment, an evaluation of architectural design and concept excellence, integration of the establishment into its surroundings, tourism appeal, level of capital investment committed, financial strength of the applicant and the applicant's financial plan;

- 668 (4) prescribe the information to be furnished by a gaming licensee relating to the 669 licensee's gaming employees;
- 670 (5) require fingerprinting of an applicant for a gaming license, a gaming licensee or employee of a gaming licensee or other methods of identification; 671
- 672 (6) prescribe the manner and method of collection and payment of assessments and fees and issuance of licenses: 673
- 674 (7) prescribe grounds and procedures for the revocation or suspension of a license or 675 registration;
- 676 (8) require quarterly financial reports and an annual audit prepared by a certified public accountant attesting to the financial condition of a gaming licensee and disclosing whether the 678 accounts, records and control procedures examined are maintained by the gaming licensee as 679 required by this chapter and the regulations promulgated by the commission;
- (9) prescribe the minimum procedures for effective control over the internal fiscal affairs 681 of a gaming licensee, including provisions for the safeguarding of assets and revenues, the recording of cash and evidence of indebtedness and the maintenance of reliable records, accounts and reports of transactions, operations and events, including reports by the commission;
- 684 (10) provide for a minimum uniform standard of accounting procedures;

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- (11) establish licensure and work permits for employees working at the gaming establishment and minimum training requirements; provided, however, that the commission may 686 687 establish certification procedures for any training schools and the minimum requirements for reciprocal licensing for out-of-state gaming employees; 688
- 689 (12) require that all gaming establishment employees be properly trained in their respective professions; 690
- 691 (13) prescribe the conduct of junkets and conditions of junket agreements between 692 gaming licensees and junket representatives;
- 693 (14) provide for the interim authorization of a gaming establishment under this chapter;
- 694 (15) develop standards for monitoring and enforcing a gaming licensee's agreement with impacted live entertainment venues; 695
- 696 (16) establish procedures and ensure compliance with the timelines for making the capital 697 investments required under this chapter;
- 698 (17) require the posting of payback statistics of slot machines played in a gaming establishment; and 699

- 700 (18) establish security procedures for ensuring the safety of minors on the premises of a gaming establishment. 701
- 702 (b) The commission may, pursuant to section 2 of chapter 30A, promulgate, amend or 703 repeal any regulation promulgated under this chapter as an emergency regulation if such regulation is necessary to protect the interests of the commonwealth in regulating a gaming 704 705 establishment.
- 706 Section 6. (a) There shall be within the commission an investigations and enforcement 707 bureau which shall be the primary enforcement agent for regulatory matters under this chapter. The bureau shall perform such functions as the chair may determine in relation to enforcement, 709 including the investigation of all licensees under this chapter. The bureau shall be under the 710 supervision and control of the deputy director of investigations and enforcement. The deputy director shall be the executive and administrative head of the bureau and shall be responsible for 712 administering and enforcing the laws relative to the bureau and to each administrative unit of the bureau. The duties of the deputy director as provided in this chapter and in any other general or 713 special law shall be exercised and discharged subject to the direction, control and supervision of 715 the chair
- (b) The bureau shall be a law enforcement agency and its employees shall have such law 717 enforcement powers as necessary to effectuate the purposes of this chapter, including the power to receive intelligence on an applicant or licensee under this chapter and to investigate any suspected violations of this chapter.

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- 720 (c) Officers and employees of the gaming enforcement unit of the state police assigned to 721 the commission under section 70 of chapter 22C shall work with employees of the bureau, under the direction of the deputy director, to investigate violations of this chapter by a licensee or to investigate any activity taking place on the premises of a gaming establishment. Officers assigned to work with the bureau shall record their time and submit total hours to the deputy director and the commission shall reimburse the state police. 725
 - (d) The bureau shall notify the division of gaming enforcement in the office of the attorney general of criminal violations by a gaming licensee. The bureau and the division shall cooperate on the regulatory and criminal enforcement of this chapter and may determine whether to proceed with civil or criminal sanctions, or both, against a gaming licensee.
- 730 (e) To further effectuate the purposes of this chapter with respect to the investigation and enforcement of gaming establishments and licensees, the bureau may obtain or provide pertinent information regarding applicants or licensees from or to law enforcement entities or gaming authorities and other domestic, federal or foreign jurisdictions, including the Federal Bureau of 734 Investigation, and may transmit such information to each other electronically.

- 735 (f) The gaming enforcement unit within the department of state police shall have 736 exclusive police jurisdiction over any criminal activity relating to the operation of a gaming establishment or relating to games or gaming that occur inside a gaming establishment; provided, 738 however, that the state police shall have concurrent jurisdiction with the law enforcement agency 739 of the host community on all other policing matters and, in consultation with the commission, shall execute a memorandum of understanding with the law enforcement agency of the host 740 community that shall include, but not be limited to, procedures involving: (i) assignment of police officers of the host community to the gaming enforcement unit of the state police; (ii) first responder calls from the gaming establishment; (iii) emergencies occurring within the gaming establishment, including the gaming area; and (iv) criminal investigations involving employees or patrons of a gaming establishment.
- 746 (g) Investigators and employees of the gaming liquor enforcement unit of the alcoholic beverages control commission assigned to the commission under section 72A of chapter 10 shall 747 work with employees of the bureau, under the direction of the deputy director, to enforce, regulate and control the distribution of alcoholic beverages in a gaming establishment. Investigators assigned to work with the bureau shall record their time and submit their total hours 750 to the deputy director and the commission shall reimburse the alcoholic beverages control 752 commission
- 753 Section 7. The commission shall administer and enforce chapters 128A and 128C and any other general or special law related to pari-mutuel wagering or simulcasting. The commission 754 755 shall serve as a host racing commission and an off-track betting commission for purposes of 15 U.S.C.A.30001, et seq. 756

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- Section 8. (a) The commission shall issue a request for applications for category 1 and category 2 licenses; provided, however, that the commission shall first issue a request for applications for the category 2 licenses. All requests for applications shall include: (i) the time and date for receipt of responses to the request for applications, the manner they are to be 760 761 received and the address of the office to which the applications shall be delivered; (ii) the form 762 of the application and the method for submission; (iii) a general description of the anticipated schedule for processing the application; (iv) the contact information of commission employees responsible for handling applicant questions; and (v) any other information that the commission determines.
 - (b) Requests for applications pursuant to subsection (a) shall be advertised in a newspaper of general circulation and on the official internet website of the commission.
- 768 (c) The commission shall establish deadlines for the receipt of all applications for a 769 gaming license. Applications received after the deadline shall not be reviewed by the commission 770

- 771 Section 9. (a) The commission shall prescribe the form of the application for gaming 772 licenses which shall require, but not be limited to, the following:
- 773 (1) the name of the applicant;

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- (2) the mailing address and, if a corporation, the name of the state under the laws of 775 which it is incorporated, the location of its principal place of business and the names and addresses of its directors and stockholders:
- 777 (3) the identity of each person having a direct or indirect interest in the business and the 778 nature of such interest; provided, however, that if the disclosed entity is a trust, the application 779 shall disclose the names and addresses of all beneficiaries; provided further, that if the disclosed entity is a partnership, the application shall disclose the names and addresses of all partners, both 780 general and limited; and provided further, that if the disclosed entity is a limited liability 781 company, the application shall disclose the names and addresses of all members; 782
 - (4) an independent audit report of all financial activities and interests including, but not limited to, the disclosure of all contributions, donations, loans or any other financial transactions to or from a gaming entity or operator in the past 5 years;
- 786 (5) clear and convincing evidence of financial stability including, but not limited to, bank references, business and personal income and disbursement schedules, tax returns and other reports filed by government agencies, and business and personal accounting check records and 788 789 ledgers;
 - (6) information and documentation to demonstrate that the applicant has sufficient business ability and experience to establish the likelihood of establishment and maintenance of a successful gaming establishment;
- 793 (7) a full description of the proposed internal controls and security systems for the 794 proposed gaming establishment and any related facilities;
- 795 (8) an agreement that the applicant shall mitigate the potential negative public health 796 consequences associated with gambling and the operation of a gaming establishment, including: 797 (i) maintaining a smoke-free environment within the gaming establishment under section 22 of 798 chapter 270; (ii) providing complimentary on-site space for an independent substance abuse and mental health counseling service to be selected by the commission; (iii) prominently displaying 799 800 information on the signs of problem gambling and how to access assistance; (iv) describing a process for individuals to exclude their names and contact information from a gaming licensee's 801 802 database or any other list held by the gaming licensee for use in marketing or promotional 803 communications; and (v) instituting other public health strategies as determined by the 804 commission:

- 805 (9) the designs for the proposed gaming establishment, including the names and 806 addresses of the architects, engineers and designers, and a timeline of construction that includes 807 detailed stages of construction for the gaming establishment, nongaming structures and racecourse, where applicable; 808
 - (10) the number of construction hours estimated to complete the work;

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- 810 (11) a description of the ancillary entertainment services and amenities to be provided at the proposed gaming establishment; provided, however, that a gaming licensee shall only be 811 812 permitted to build a live entertainment venue that has less than 1,000 seats or more than 3,500 813 seats;
- 814 (12) the number of employees to be employed at the proposed gaming establishment, including detailed information on the pay rate and benefits for employees; 815
- 816 (13) completed studies and reports as required by the commission, which shall include, but not be limited to, an examination of the proposed gaming establishment's: (i) economic benefits to the region and the commonwealth; (ii) local and regional social, environmental, 819 traffic and infrastructure impacts; (iii) impact on the local and regional economy, including the 820 impact on cultural institutions and on small businesses in the host community and surrounding 821 communities; (iv) cost to the host community and surrounding communities and the 822 commonwealth for the proposed gaming establishment to be located at the proposed location; and (v) the estimated municipal and state tax revenue to be generated by the gaming 823 824 establishment;
 - (14) the names of proposed vendors of gaming equipment;
- (15) the location of the proposed gaming establishment, which shall include the address, maps, book and page numbers from the appropriate registry of deeds, assessed value of the land 827 at the time of application, and ownership interests over the past 20 years, including all interests, options, agreements in property and demographic, geographic and environmental information, and any other information requested by the commission;
- 831 (16) the type and number of games to be conducted at the proposed gaming establishment and the specific location of the games in the proposed gaming establishment; 832
- 833 (17) the number of hotels and rooms, restaurants and other amenities located at the 834 proposed gaming establishment and how they measure in quality to other area hotels and 835 amenities;
- 836 (18) whether the applicant's proposed gaming establishment is part of a regional or local economic plan; and 837

838 (19) whether the applicant purchased or intends to purchase publicly-owned land for the proposed gaming establishment; 839

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(b) Applications for licenses shall be public records under section 10 of chapter 66; provided however, that trade secrets, competitively-sensitive or other proprietary information provided in the course of an application for a gaming license under this chapter, the disclosure of which would place the applicant at a competitive disadvantage, may be withheld from disclosure under chapter 66.

845 Section 10. (a) The commission shall set the minimum capital investment for all category 846 1 licenses; provided, however, that all gaming licensees shall make a capital investment of not less than \$500,000,000 into the gaming establishment which shall include, but not be limited to, 847 848 a gaming area, at least 1 hotel and other amenities as proposed in the application for a category 1 849 license; and provided further, that the commission shall determine whether it will include the 850 purchase or lease price of the land where the gaming establishment will be located or any 851 infrastructure designed to support the site, including, but not limited to, drainage, utility support, 852 roadways, interchanges, fill and soil or groundwater or surface water contamination issues, 853 whether or not the applicant is an eligible owner or operator under chapter 206 of the acts of 854 1998, and has suitable capital to finance its operations and the proposed capital investment. Upon award of a gaming license by the commission, the applicant shall be required to deposit 10 per 856 cent of the total investment proposed in the application into an interest-bearing account. Monies 857 received from the applicant shall be held in escrow until the final stage of construction, as 858 detailed in the timeline of construction submitted with the licensee's application and approved by 859 the commission, at which time the deposit shall be returned to the applicant to be applied for the 860 final stage. Should the applicant be unable to complete the gaming establishment, the deposit shall be forfeited to the commonwealth. In place of a cash deposit, the commission may allow 861 862 for an applicant to secure a deposit bond insuring that 10 per cent of the proposed capital 863 investment shall be forfeited to the commonwealth if the applicant is unable to complete the 864 gaming establishment.

- (b) A licensee who fails to begin gaming operations within 1 year after the date specified in its construction timeline, as approved by the commission, shall be subject to suspension or revocation of the gaming license by the commission and may, after being found by the commission after a hearing to have acted in bad faith in its application, be assessed a fine of up to \$50,000,000.
- (c) Applicants for a category 1 license shall submit their proposed capital investment with their application to the commission which shall include stages of construction of the gaming 872 establishment and the deadline by which the stages and overall construction and any 873 infrastructure improvements will be completed. In awarding a category 1 license, the 874 commission shall determine at what stage of construction a licensee shall be approved to open for business; provided, however, that a licensee shall not be approved to open for business until 875

876 the commission has determined that at least the gaming area and other ancillary entertainment 877 services and non-gaming amenities, as required by the commission, have been built and are of a 878 superior quality as set forth in the conditions of licensure; and provided further, that total 879 infrastructure improvements onsite and around the vicinity of the gaming establishment, 880 including projects to account for traffic mitigation as determined by the commission, shall be completed before the gaming establishment shall be approved for opening by the commission. The commission shall not approve a gaming establishment to open for business before the completion of the permanent gaming area.

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- (d) The commission shall determine a minimum licensing fee for each region, which shall not be less than \$85,000,000, to be paid by a category 1 licensee within 30 days after the final award of the license. The license shall set forth the conditions to be satisfied by the licensee before the gaming establishment shall be opened to the public. The commission shall set any renewal fee for such license based on the cost of fees associated with the evaluation of a category 1 licensee under this chapter which shall be deposited into the Gaming Revenue Fund. Such renewal fee will be exclusive of any subsequent licensing fees under this section.
 - (e) The commission shall determine the sources and total amount of an applicant's proposed capitalization to develop, construct, maintain and operate a proposed gaming establishment under this chapter. Upon award of a gaming license, the commission shall continue to assess the capitalization of a licensee for the duration of construction of the proposed gaming establishment and the term of the license.

Section 11. (a) The commission shall set the minimum capital investment for a category 2 897 license; provided, however, that the gaming licensee shall make a capital investment of not less than \$125,000,000 into the gaming establishment, which shall include, but not be limited to, a gaming area or other amenities as proposed in the application for a category 2 license; and 900 provided further, that the commission shall determine whether it will include the purchase or 901 lease price of the land where the gaming establishment will be located or any infrastructure 902 designed to support the site, including, but not limited to, drainage, utility support, roadways, 903 interchanges, fill and soil or groundwater or surface water contamination issues, whether or not 904 the applicant is an eligible owner or operator under chapter 206 of the acts of 1998, and has 905 suitable capital to finance its operations and the proposed capital investment. The investment 906 required under this section shall be made within 2 years after receiving a gaming license; provided, however, that any infrastructure improvements necessary to increase visitor capacity and account for traffic mitigation shall not be considered part of the required capital investment and, as determined by the commission, shall be completed before the category 2 licensee shall be authorized to operate a slot machine at the gaming establishment.

(b) The commission shall determine the minimum licensing fee for a category 2 licensee, 912 which shall not be less than \$25,000,000 to be paid within 30 days after the award of the license.

- 913 (c) Upon award of a category 2 license, the commission shall continue to assess the 914 capitalization of a licensee for the duration of construction of the proposed gaming establishment 915 and the term of the gaming license.
- 916 Section 12. (a) Upon receipt of an application for a gaming license, the commission shall 917 instruct the bureau to commence an investigation into the suitability of the applicant. In evaluating the suitability of the applicant, the commission shall consider the overall reputation of 918 919 the applicant including, without limitation:
- 920 (1) the integrity, honesty, good character and reputation of the applicant;
- 921 (2) the financial stability, integrity and background of the applicant;

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- 922 (3) the business practices and the business ability of the applicant to establish and 923 maintain a successful gaming establishment;
- 924 (4) whether the applicant has a history of compliance with gaming licensing requirements 925 in other jurisdictions;
- 926 (5) whether the applicant, at the time of application, is a defendant in litigation involving 927 its business practices;
 - (6) the suitability of all parties in interest to the gaming license, including affiliates, close associates and the financial resources of the applicant; and
- (7) whether the applicant is disqualified from receiving a license under section 16; provided, however, that in considering the rehabilitation of an applicant for a gaming license, the 932 commission shall not automatically disqualify an applicant if the applicant affirmatively 933 demonstrates, by clear and convincing evidence, that the applicant has financial responsibility, character, reputation, integrity and general fitness as such to warrant belief by the commission that the applicant will act honestly, fairly, soundly and efficiently as a gaming licensee.
- (b) If the bureau determines during its investigation that an applicant has failed to: (i) 937 establish the applicant's integrity or the integrity of any affiliate, close associate, financial source 938 or any person required to be qualified by the commission; (ii) demonstrate responsible business practices in any jurisdiction; or (iii) overcome any other reason, as determined by the 940 commission, as to why it would be injurious to the interests of the commonwealth in awarding the applicant a gaming license, the bureau shall cease any further review and recommend that the 942 commission deny the application.
- 943 (c) If the bureau has determined an applicant is suitable to receive a gaming license, the 944 bureau shall recommend that the commission commence a review of the applicant's entire 945 application.

Section 13. (a) All applicants for a gaming license, and any person required by the commission to be qualified for licensure, shall establish its individual qualifications for licensure to the commission by clear and convincing evidence.

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- (b) All applicants, licensees, registrants and any other person who shall be qualified under this chapter shall have the continuing duty to provide any assistance or information required by the commission and to cooperate in any inquiry or investigation conducted by the 952 commission. Refusal to answer or produce information, evidence or testimony by an applicant, licensee, registrant or other person required to be qualified under this chapter may result in denial of the application or suspension or revocation of license or registration by the commission.
- (c) No applicant, licensee, registrant or person required to be qualified under this chapter 956 shall willfully withhold information from, or knowingly give false or misleading information to, the commission. If the commission determines that an applicant, or a close associate of an applicant, has willfully provided false or misleading information, such applicant shall not be eligible to receive a license under this chapter. Any licensee or other person required to be qualified for licensure under this chapter who willfully provides false or misleading information shall have its license conditioned, suspended or revoked by the commission.
- Section 14. (a) The commission shall require anyone with a financial interest in a gaming 963 establishment, or with a financial interest in the business of the gaming licensee or applicant for a gaming license or who is a close associate of a gaming licensee or an applicant for a gaming license, to be qualified for licensure by meeting the criteria provided in sections 12 and 16 and to provide any other information that the commission may require.
- (b) For each business that applies for a gaming license, the commission shall determine whether each officer and director of a corporation, other than a publicly-traded corporation, general partner and limited partner of a limited partnership, and member, transferee of a 970 member's interest in a limited liability company, director and manager of a limited liability company which holds or applies for a gaming license meets the standards for qualification of licensure pursuant to sections 12 and 16 and, in the judgment of the commission, any or all of a business's individual stockholders, lenders, holders of evidence of indebtedness, underwriters, 974 close associates, executives, agents or employees.
- (c) A person owning more than 5 per cent of the common stock of the applicant company, directly or indirectly, or a holding, intermediary or subsidiary of an applicant company 976 may be required meet the qualifications for licensure under sections 12 and 16. The commission may waive the licensing requirements for institutional investors holding up to 15 per cent of the stock of the applicant company or holding, intermediary or subsidiary company of the applicant company upon a showing by the person seeking the waiver that the applicant purchased the securities for investment purposes only and does not have any intention to influence or affect the 982 affairs or operations of the applicant company or a holding, intermediary or subsidiary of the

983 applicant company. An institutional investor granted a waiver which subsequently determines to 984 influence or affect the affairs or operations of the applicant company or a holding, intermediary 985 or subsidiary of the applicant company shall provide not less than 30 days notice to the 986 commission of such intent and the commission shall ensure that the institutional investor meets 987 the qualifications for licensure under said sections 12 and 16 before the institutional investor may 988 take an action that may influence or affect the affairs of the applicant company or a holding, 989 intermediary or subsidiary of the applicant company. Any company holding over 15 per cent of 990 the applicant company, or a holding, intermediary or subsidiary of an applicant company, shall 991 be required to meet the qualifications for licensure under said sections 12 and 16.

(d) A person who is required to be qualified for licensure under this section as a general or limited partner shall not serve as such a partner until that person obtains the required approval or waiver from the commission.

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- (e) The commission shall require any person involved in the financing of a gaming 996 establishment or an applicant's proposed gaming establishment to be qualified for licensure pursuant to sections 12 and 16 and may allow such person to seek a waiver pursuant to the standards in subsection (c).
- (f) A person required to be qualified for licensure shall apply for qualification within 30 1000 days after taking a position with the business. A person who is required to be qualified for licensure pursuant to a decision of the commission shall apply for qualification within 30 days 1002 after that decision.
- (g) If a corporation or other form of business organization applying for a gaming license 1004 is, or if a corporation or other form of business organization holding a gaming license is to 1005 become, a subsidiary, each holding company, intermediary company and other entity having an interest in the applicant shall be required to be qualified for licensure under sections 12 and 16.
- (h) The commission shall require that a company or individual that can exercise control 1008 or provide direction to a gaming licensee or applicant for a gaming license or a holding, 1009 intermediary or subsidiary of a gaming licensee or applicant for a gaming license be qualified for licensure under sections 12 and 16; provided, however, that the commission may allow such 1010 person to seek a waiver under subsection (c).
- (i) The bureau shall investigate each person required to be qualified for licensure under this section and shall: (i) make a recommendation to the commission that the commission approve or deny the application for licensure; or (ii) extend the period for issuing a 1015 recommendation in order to obtain additional information necessary for a complete evaluation of 1016 the application for a license.
- 1017 Section 15. No applicant shall be eligible to receive a gaming license unless the applicant 1018 meets the following criteria and clearly states as part of an application that the applicant shall:

- 1019 (1) agree to be a licensed state lottery sales agent under chapter 10 to sell or operate the 1020 lottery, multi-jurisdictional and keno games; demonstrate that the lottery and keno games shall 1021 be readily accessible to the guests of the gaming establishment and agree that, as a condition of 1022 its license to operate a gaming establishment, that it will not create, promote, operate or sell 1023 games that are similar to or in direct competition, as determined by the commission, with games offered by the state lottery commission, including the lottery instant games or its lotto style 1024 1025 games such as keno or its multi-jurisdictional games;
 - (2) in accordance with the design plans submitted with the licensee's application to the commission, invest not less than the required capital under this chapter into the gaming establishment;
- 1029 (3) own or acquire, within 60 days after a license has been awarded, the land where the 1030 gaming establishment is proposed to be constructed; provided, however, that ownership of the land shall include a tenancy for a term of years under a lease that extends not less than 60 years 1031 1032 beyond the term of the gaming license issued under this chapter;
- 1033 (4) meet the licensee deposit requirement;

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- (5) demonstrate that it is able to pay and shall commit to paying the gaming licensing fee;
- (6) demonstrate to the commission how the applicant proposes to address lottery 1036 mitigation, compulsive gambling problems, workforce development and community development as well as host and surrounding community impact and mitigation issues as set forth in the memoranda of understanding required under this chapter;
 - (7) identify the infrastructure costs of the host and surrounding communities incurred in direct relation to the construction and operation of a gaming establishment and commit to a community mitigation plan for those communities;
 - (8) provide to the commission a signed agreement between the host community and the applicant setting forth the conditions to have a gaming establishment located within the host community; provided, however, that the agreement shall include a community impact fee for the host community and all stipulations of responsibilities between the host community and the applicant, including stipulations of known impacts from the development and operation of a gaming establishment;
- (9) provide to the commission signed agreements between the surrounding communities and the applicant setting forth the conditions to have a gaming establishment located in proximity to the surrounding communities and documentation of public outreach to those surrounding communities; provided, however, that the agreement shall include a community 1052 impact fee for each surrounding community and all stipulations of responsibilities between each

surrounding community and the applicant, including stipulations of known impacts from the development and operation of a gaming establishment;

- 1055 (10) provide to the commission signed agreements between the impacted live 1056 entertainment venues and the applicant setting forth the conditions to have a gaming 1057 establishment located in proximity to the impacted live entertainment venues; provided, 1058 however, that the agreement shall include, but not be limited to, terms relating to cross marketing 1059 and coordination of performance schedules;
- (11) pay to the commission a nonrefundable application fee of \$350,000 to defray the costs associated with the processing of the application and investigation of the applicant; provided, however, that if the costs of the investigation exceed the initial application fee, the applicant shall pay the additional amount to the commission within 30 days after notification of insufficient fees or the application shall be rejected;
 - (12) comply with state and local building codes and local ordinances and bylaws, including sections 61 to 62H, inclusive, of chapter 30;

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1067 (13) have received a certified and binding vote on a ballot question at an election in the 1068 host community, in favor of such license; provided, however that the vote shall take place after 1069 the effective date of this chapter; provided further that upon receipt of a request for an election, 1070 the governing body of the municipality shall call for the election to be held not less than 35 days 1071 but not more than 90 days from the date that the request was received; provided further, that a 1072 binding vote shall be conducted not less than 60 days after the execution of a signed agreement 1073 between the host community and the applicant as provided in clause (8); provided further, that 1074 the municipality that holds an election shall be reimbursed for its expenses related to the election 1075 by the applicant; provided further, that, for purposes of this clause, if the gaming establishment is 1076 proposed to be located in a city with a population of at least 125,000 residents according to the 1077 most recent enumerated federal census, "host community" shall mean the ward in which the gaming establishment is to be located for the purpose of receiving a certified and binding vote on 1078 1079 a ballot question at an election; provided further, that, upon the signing of an agreement between 1080 the host community and the applicant, and upon the request of the applicant, the city or town 1081 clerk shall set a date certain for an election on the ballot question in the host community; 1082 provided further, that at such election, the question submitted to the voters shall be worded as 1083 follows: "Shall the (city/town) of permit the operation of a gaming establishment 1084 licensed by the Massachusetts Gaming Commission to be located at [description of 1085 site] ? YES NO "; provided further, that if a majority of the votes cast in a 1086 host community in answer to the ballot question is in the affirmative, the host community shall 1087 be taken to have voted in favor of the applicant's license; provided further, that if a proposed 1088 gaming establishment is situated in 2 or more cities or towns, the applicant shall execute an 1089 agreement with each host community, or a joint agreement with both communities, and receive a

1090 certified and binding vote on a ballot question at an election held in each host community, in 1091 favor of such a license:

(14) provide a community impact fee to the host community;

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- (15) formulate for commission approval and abide by a marketing program by which the 1094 applicant shall identify specific goals, expressed as an overall program goal applicable to the total dollar amount of contracts, for utilization of: (i) minority business enterprises, women 1096 business enterprises and veteran business enterprises to participate as contractors in the design of 1097 the gaming establishment; (ii) minority business enterprises, women business enterprises and 1098 veteran business enterprises to participate as contractors in the construction of the gaming establishment; and (iii) minority business enterprises, women business enterprises and veteran 1099 1100 business enterprises to participate as vendors in the provision of goods and services procured by the gaming establishment and any businesses operated as part of the gaming establishment; and
- (16) formulate for commission approval and abide by an affirmative-action program of 1103 equal opportunity whereby the applicant establishes specific goals for the utilization of 1104 minorities, women and veterans on construction jobs; provided, however, that such goals shall be 1105 equal to or greater than the goals contained in the executive office for administration and finance 1106 Administration Bulletin Number 14. In furtherance of specific goals for the utilization of 1107 minorities and women on construction jobs, the licensee shall send to each labor union or 1108 representative of workers with which the applicant has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the applicant's commitments.
- 1111 Section 16. The commission shall deny an application for a gaming license, or any 1112 license or registration issued under this chapter, if the applicant: (i) has been convicted of a 1113 felony or other convictions involving embezzlement, theft, fraud or perjury; provided, however, 1114 that for convictions which occurred before the 10-year period immediately preceding application 1115 for licensure, an applicant may demonstrate, and the commission shall consider, the applicant's 1116 rehabilitation and whether such conviction should not be an automatic disqualification under this 1117 section; (ii) submitted an application for a license under this chapter that contains false or 1118 misleading information; (iii) committed prior acts which have not been prosecuted or in which 1119 the applicant was not convicted but form a pattern of misconduct that makes the applicant 1120 unsuitable for a license under this chapter; or (iv) has affiliates or close associates that would not qualify for a license or whose relationship with the applicant may pose an injurious threat to the 1121 interests of the commonwealth in awarding a gaming license to the applicant.
- Section 17. (a) After a review of the entire application and any independent evaluations, the commission shall identify which communities shall be designated as the surrounding 1124 communities of a proposed gaming establishment; provided, however, that any community that 1126 has negotiated a surrounding community memorandum of understanding with the applicant that

1127 was submitted with the application shall be considered a surrounding community by the 1128 commission. In making that determination, the commission shall consider the detailed plan of 1129 construction submitted by the applicant, information received from the public and factors which 1130 shall include, but not be limited to, population, infrastructure and distance from the gaming 1131 establishment and political boundaries. If the commission determines a city or town to be a 1132 surrounding community and the applicant has not included a signed agreement with that 1133 community in its application, the applicant shall negotiate a signed agreement with that 1134 community within 30 days and no action shall be taken on its application prior to the execution of that agreement. When necessary the commission may facilitate the negotiation of fair and 1136 reasonable agreements between the applicant and surrounding communities.

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- (b) After a review of the entire application and any independent evaluations, the 1138 commission shall identify which live entertainment venues shall be designated as impacted live entertainment venues of a proposed gaming establishment; provided, however, that any live entertainment venue that has negotiated an agreement with the applicant that was submitted with 1141 the application shall be considered an impacted live entertainment venue by the commission. If 1142 the commission determines an live entertainment venue to be an impacted live entertainment 1143 venue and the applicant has not included a signed agreement with that live entertainment venue 1144 in its application, the applicant shall negotiate a signed agreement with that live entertainment venue within 30 days and no action shall be taken on its application prior to the execution of that 1146 agreement. A gaming licensee's compliance with such agreements shall be considered upon a gaming licensee's application for renewal of the gaming license. When necessary the commission may facilitate the negotiation of fair and reasonable agreements between the applicant and impacted live entertainment venues.
- 1150 (c) The commission shall conduct a public hearing on the application pursuant to section 11 ½ of chapter 30A. An applicant for a gaming license and a municipality designated as a host 1151 or surrounding community shall be given at least 30 days notice of the public hearing. The 1153 commission shall hold the public hearing within the host community; provided, however, that the 1154 host community may request that the commission hold the hearing in another city or town.
- 1155 (d) The public hearing shall provide the commission the opportunity to address questions and concerns relative to the proposal of a gaming applicant to build a gaming establishment. 1157 including the scope and quality of the gaming area and amenities, the integration of the gaming establishment into the surrounding community and the extent of required mitigation plans, as 1158 1159 well as receive input from members of the public from the impacted community or communities. 1160 During the hearing, the commission may take the opportunity to read into the record any letters of support, opposition or concern from members of the communities in the vicinity of the 1162 proposed gaming establishment.
- (e) Not later than 90 days after the conclusion of the public hearing, the commission shall 1164 take action on the application. The commission may: (i) grant the application for a gaming

- license; (ii) deny the application; or (iii) extend the period for issuing a decision in order to obtain any additional information necessary for a complete evaluation of the application; provided, however, that the extension shall be not longer than 30 days.
- (f) Upon denial of an application, the commission shall prepare and file the commission's decision and, if requested by the applicant, shall further prepare and file a statement of the reasons for the denial, including specific findings of fact by the commission and the recommendation from the bureau with respect to the suitability of the applicant pursuant to sections 12 and 16. Applicants may request a hearing before the commission to contest any findings of fact by the bureau into the suitability of the applicant.
- 1174 (g) The commission shall have full discretion as to whether to issue a license.
 1175 Applicants shall have no legal right or privilege to a gaming license and shall not be entitled to
 1176 any further review if denied by the commission.
- Section 18. In determining whether an applicant shall receive a gaming license, the commission shall evaluate and issue a statement of findings of how each applicant proposes to advance the following objectives:
- (1) protecting the lottery from any adverse impacts due to expanded gaming including, but not limited to, developing cross-marketing strategies with the lottery and increasing ticket sales to out-of-state residents;
- 1183 (2) promoting local businesses in host and surrounding communities, including 1184 developing cross-marketing strategies with local restaurants, hotels, retail outlets and impacted 1185 live entertainment venues;
- 1186 (3) realizing maximum capital investment exclusive of land acquisition and infrastructure improvements;
- (4) implementing a workforce development plan to utilize the existing labor force, including the estimated number of construction jobs a proposed gaming establishment will generate, the development of workforce training programs that serve the unemployed and methods for accessing employment at the gaming establishment;
- (5) building a gaming establishment of high caliber with a variety of quality amenities to be included as part of the gaming establishment and operated in partnership with local hotels and dining, retail and entertainment facilities so that patrons experience the diversified regional tourism industry;
- (6) taking additional measures to address problem gambling including, but not limited to,
 training of gaming employees to identify patrons exhibiting problems with gambling and
 prevention programs targeted toward vulnerable populations;

- 1199 (7) providing a market analysis detailing the benefits of the site location of the gaming establishment and the estimated recapture rate of gaming-related spending by residents travelling 1200 1201 to out of state gaming establishments;
- 1202 (8) utilizing sustainable development principles including, but not limited to: (i) being 1203 certified as gold or higher under the appropriate certification category in the Leadership in 1204 Environmental and Energy Design program created by the United States Green Building 1205 Council; (ii) meeting or exceeding the stretch energy code requirements contained in Appendix 1206 120AA of the Massachusetts building energy code or equivalent commitment to advanced 1207 energy efficiency as determined by the secretary of energy and environmental affairs; (iii) efforts 1208 to mitigate vehicle trips; (iv) efforts to converse water and manage storm water; (v) 1209 demonstration that electrical and HVAC equipment and appliances will be EnergyStar labeled 1210 where available; (vi) procuring or generating on-site 10 per cent of its annual electricity 1211 consumption from renewable sources qualified by the department of energy resources under 1212 section 11F of chapter 25A; and (vii) developing an ongoing plan to submeter and monitor all major sources of energy consumption and undertake regular efforts to maintain and improve 1214 energy efficiency of buildings in their systems;
- (9) establishing, funding and maintaining human resource hiring and training practices that promote the development of a skilled and diverse workforce and access to promotion 1216 opportunities through a workforce training program that: (i) establishes transparent career paths with measurable criteria within the gaming establishment that lead to increased responsibility 1218 1219 and higher pay grades that are designed to allow employees to pursue career advancement and promotion; (ii) provides employee access to additional resources, such as tuition reimbursement 1220 or stipend policies, to enable employees to acquire the education or job training needed to advance career paths based on increased responsibility and pay grades; and (iii) establishes an 1222 1223 on-site child day-care program;
 - (10) contracting with local business owners for the provision of services and goods to the gaming establishment, including developing plans designed to assist businesses in the commonwealth in identifying the needs for goods and services to the establishment;
- 1227 (11) maximizing revenues received by the commonwealth;

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- 1228 (12) providing a high number of quality jobs in the gaming establishment;
- 1229 (13) offering the highest and best value to create a secure and robust gaming market in the region and the commonwealth; 1230
- 1231 (14) mitigating potential impacts on host and surrounding communities which might 1232 result from the development or operation of the gaming establishment;

1233 (15) purchasing, whenever possible, domestically manufactured slot machines for 1234 installation in the gaming establishment;

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(16) implementing a marketing program that identifies specific goals, expressed as an overall program goal applicable to the total dollar amount of contracts, for the utilization of: (i) 1237 minority business enterprises, women business enterprises and veteran business enterprises to participate as contractors in the design of the gaming establishment; (ii) minority business 1238 1239 enterprises, women business enterprises and veteran business enterprises to participate as 1240 contractors in the construction of the gaming establishment; and (iii) minority business enterprises, women business enterprises and veteran business enterprises to participate as 1241 1242 vendors in the provision of goods and services procured by the gaming establishment and any 1243 businesses operated as part of the gaming establishment; and

(17) implementing a workforce development plan that: (i) incorporates an affirmative 1245 action program of equal opportunity by which the applicant guarantees to provide equal employment opportunities to all employees qualified for licensure in all employment categories, including persons with disabilities; (ii) utilizes the existing labor force in the commonwealth,; (iii) estimates the number of construction jobs a gaming establishment will generate and provides 1249 for equal employment opportunities and which includes specific goals for the utilization of minorities and women on those construction jobs; (iv) identifies workforce training programs 1250 offered by the gaming establishment; and (v) identifies the methods for accessing employment at the gaming establishment.

Section 19. (a) The commission may issue not more than 3 category 1 licenses based on the applications and bids submitted to the commission. Not more than 1 license shall be awarded per region. Regions shall be established as follows:

- (1) region A: suffolk, middlesex, essex, norfolk and worcester counties;
- 1257 (2) region B: hampshire, hampden, franklin and berkshire counties; and
- 1258 (3) region C: bristol, plymouth, nantucket, dukes and barnstable counties.

Gaming licenses shall only be issued to applicants who are qualified under the criteria set 1260 forth in this chapter, as determined by the commission. Within any region, if the commission is not convinced that there is an applicant that has both met the eligibility criteria and provided convincing evidence that the applicant will provide value to the region in which the gaming establishment is proposed to be located and to the commonwealth, no gaming license shall be awarded in that region.

(b) No other gaming license shall be issued by the commission for a period of 15 years after the initial awarding of gaming licenses.

- 1267 (c) No gaming licensee shall transfer a gaming license or any direct or indirect interest in the gaming license or a gaming establishment without the majority approval of the commission. 1268 A person seeking to acquire a gaming license through a transfer shall qualify for licensure under 1269 this chapter. The commission shall reject a gaming license transfer or a transfer of interest in the 1270 1271 gaming establishment to an unsuitable person and may reject a proposed transfer that, in the opinion of the commission, would be disadvantageous to the interests of the commonwealth. 1272
- 1273 (d) The commission shall take into consideration the physical distance in selecting the locations of the gaming establishments as they relate to each other and how they maximize 1274 benefits to the commonwealth. 1275
- 1276 (e) If a category 1 license is awarded to an applicant with a simulcasting license under 1277 chapter 128C as of July 1, 2011, a condition of the gaming license shall be to maintain the 1278 simulcasting license under said chapter 128C. Upon failure to conduct simulcast wagering, the 1279 commission shall suspend the category 1 license.
- 1280 (f) If a category 1 license is awarded to an applicant with live racing under chapter 128A as of July 1, 2011, a condition of the gaming license shall be to maintain and complete the annual 1281 live racing season under said chapter 128A. Upon failure to conduct live racing the commission 1282 1283 shall suspend the category 1 license.
- (g) For the purposes of subsections (e) and (f), an applicant for a gaming license shall be 1285 considered to be the holder of a license under chapter 128A or chapter 128C if the applicant: (i) 1286 owns 50.1 or more per cent of the common stock of the company which obtained a license under 1287 said chapter 128A or 128C; and (ii) is a person who owns more than 5 per cent of the common stock of the applicant company, directly or indirectly, or is an institutional investor in the gaming 1289 license.

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- Section 20. (a) The commission may issue not more than 1 category 2 license; provided, however, that the category 2 license shall only be issued to an applicant who is qualified under the criteria set forth in this chapter as determined by the commission. If the commission is not convinced that there is an applicant that has both met the eligibility criteria and provided convincing evidence that the applicant will provide value to the commonwealth, no category 2 license shall be awarded.
- 1296 (b) If a category 2 license is awarded to an applicant with a simulcasting license under chapter 128C as of July 1, 2011, a condition of said license shall be to maintain the simulcasting license pursuant to said chapter 128C. Upon failure to conduct simulcast wagering the 1298 1299 commission shall suspend the category 2 license.
- 1300 (c) If a category 2 license is awarded to an applicant with live racing, pursuant to chapter 128A as of July 1, 2011, a condition of the license shall be to maintain and complete the annual 1301

live racing season pursuant to said chapter 128A. Upon failure to conduct live racing, the commission shall suspend the category 2 license.

- (d) For the purposes of subsections (b) and (c), an applicant for a gaming license shall be considered to be the holder of a license under chapter 128A or chapter 128C if the applicant: (i) owns 50.1 or more per cent of the common stock of the company which obtained a license under chapter 128A or 128C; and (ii) includes a person who owns more than 5 per cent of the common stock of the applicant company, directly or indirectly, or is an institutional investor in the gaming license.
- (e) A category 2 license issued pursuant to this chapter shall not be transferrable or assignable without the approval of the commission; provided, however, that for 5 years after the initial issuance of a category 2 license, the commission shall only approve such a transfer if: (i) the licensee experiences a change in ownership; or (ii) the licensee fails to maintain suitability or other circumstances which the commission may consider, which, in the opinion of a majority of members of the commission, impact a licensee's ability to successfully operate a gaming establishment.
- 1317 (f) A category 2 license issued pursuant to this chapter shall be for a period of 5 years.
 1318 The commission shall establish procedures for renewal and set the renewal fee based on the cost
 1319 of fees associated with the evaluation of a licensee; provided, however, that the cost of renewal
 1320 shall not be less than \$100,000. Any renewal fees shall be deposited into the Gaming Revenue
 1321 Fund.
- Section 21. (a) The commission shall prescribe the form of the gaming license, which shall include, but not be limited to, the following license conditions for each licensee. The licensee shall:
- 1325 (1) have an affirmative obligation to abide by every statement made in its application to 1326 the commission including all evaluation criteria and eligibility requirements;
- 1327 (2) comply with all laws of the commonwealth, the laws of the United States and all rules and regulations promulgated under this chapter;
- 1329 (3) pay daily to the commission the gross gaming revenue payment;
- 1330 (4) make, or cause to be made, capital expenditures to its gaming establishment in a 1331 minimum aggregate amount equal to or greater than 3.5 per cent of the net gaming revenues 1332 derived from the establishment;
- 1333 (5) change its business governing structure without the notification and approval of the 1334 commission;

- 1335 (6) operate, invest or own, in whole or in part, another gaming licensee's license or 1336 gaming establishment;
- 1337 (7) cooperate with the commission and the attorney general in all gaming-related 1338 investigations. Each gaming licensee shall make readily available all documents, materials, equipment, personnel and any other items requested during all investigations; provided, however, 1340 that material that the gaming licensee considers a trade secret or detrimental to the gaming 1341 licensee if it were made public may, with the commission's approval, be protected from public 1342 disclosure and the gaming licensee may require nondisclosure agreements with the commission 1343 before disclosing such material;

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- (8) cooperate with the commission and the attorney general with respect to the 1345 investigation of any criminal matter; provided, however, that the gaming licensee shall, upon 1346 receipt of a criminal or civil process compelling testimony or production of documents in 1347 connection with a civil or criminal investigation, immediately disclose such information to the 1348 commission; and provided further, that this clause shall not prohibit private persons or public entities from seeking any remedy or damages against a gaming licensee;
- (9) allow the commission or the division and state police officers assigned to the commission or the division to conduct warrantless searches of the licensee's gaming area; 1351
- (10) have a duty to inform the commission of any action which the gaming licensee 1353 reasonably believes would constitute a violation of this chapter, and shall assist the commission and any federal or state law enforcement agency in the investigation and prosecution of such violation; provided, however, that no person who informs the commission of such an action shall be discriminated against by an applicant or gaming licensee as a consequence for having supplied such information;
 - (11) provide an office for the commission at the gaming establishment and the designated state police unit at the gaming establishment; provided, however, that the commission shall establish the minimum requirements for square footage for the state police office, office furnishings and parking space;
 - (12) collect and annually report to the commission a detailed statistical report on the number, job titles, benefits and salaries of employees hired and retained in employment at the gaming establishment;
 - (13) employ only those persons licensed or registered by the commission;
- 1366 (14) do business only with those vendors licensed or registered by the commission;
- 1367 (15) provide to the commission aggregate demographic information with respect to the gaming licensee's customers in a manner and under a schedule to be defined by the commission; 1368

- 1369 (16) provide complimentary on-site space for an independent substance abuse, 1370 compulsive gambling and mental health counseling service and establish a program to train gaming employees in the identification of and intervention with customers exhibiting problem 1371 1372 gaming behavior;
- 1373 (17) keep conspicuously posted in the gaming area a notice containing the name and a 1374 telephone number for problem gambling assistance; provided, however, that the commission 1375 may require the gaming licensee to provide this information in more than 1 language;
- (18) provide a process for individuals to exclude their names and contact information from the gaming licensee's database or any other list held by the gaming licensee for use in 1377 marketing or promotional communications;
- 1379 (19) institute additional public health strategies as required by the commission;

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- 1380 (20) abide by an affirmative-action program of equal opportunity by which the gaming licensee guarantees to provide equal employment opportunities to all employees qualified for 1381 licensure in all employment categories, including a person with a disability, under the laws of the 1382 commonwealth. 1383
- (21) formulate for commission approval and abide by an affirmative marketing program by which the gaming licensee identifies specific goals, expressed as an overall program goal applicable to the total dollar amount or value of contracts entered into, for the utilization of: (i) 1387 minority business enterprises, women business enterprises and veteran business enterprises to participate as contractors in the design of the gaming establishment; (ii) minority business 1389 enterprises, women business enterprises and veteran business enterprises to participate as 1390 contractors in the construction of the gaming establishment; and (iii) minority business 1391 enterprises, women business enterprises and veteran business enterprises to participate as vendors in the provision of goods and services procured by the gaming establishment and any businesses operated as part of the gaming establishment; provided, however, that the specific goals for the utilization of such minority business enterprises, women business enterprises and 1395 veteran business enterprises shall be based on the availability of such minority business 1396 enterprises, women business enterprises and veteran business enterprises engaged in the type of work to be contracted by the gaming licensee;
- 1398 (22) formulate for commission approval and abide by an affirmative action program of 1399 equal opportunity whereby the licensee establishes specific goals for the utilization of minorities, 1400 women and veterans on construction jobs; provided, however, that such goals shall be equal to or greater than the goals contained in executive office of administration and finance administration 1402 Bulletin Number 14; provided further, that in furtherance of the specific goals for the utilization 1403 of minorities, women and veterans on construction jobs, the gaming licensee shall send to each labor union or representative of workers with which the gaming licensee or its agent has a

collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the gaming licensee's commitments;

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- (23) provide to the commission, on a quarterly basis, a detailed statistical report on the number, gender and race of individuals hired to perform labor as part of the construction of the gaming establishment; and
- (24) collect and annually provide to the commission a detailed statistical report on the total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veterans business enterprises in: (i) design contracts; (ii) construction contracts; and (iii) contracts for every good and service procured by the gaming establishment; provided, however, that such statistical report shall also identify the amounts so contracted as a percentage of total dollar amounts contracted with and actually paid to all firms.
- 1416 (b) No person shall transfer a gaming license, a direct or indirect real interest, structure, real property, premises, facility, personal interest or pecuniary interest under a gaming license 1417 1418 issued under this chapter or enter into an option contract, management contract or other agreement or contract providing for such transfer in the present or future, without the notification 1419 1420 to, and approval by, the commission. The commission may promulgate rules and regulations that 1421 create exemptions from the approval requirement; provided, however, that: (i) in no event shall 1422 a bona fide commercial financial institution licensed by the division of banks which becomes a 1423 substantial party of interest with a gaming licensee be considered a transferee; (ii) the 1424 commission may require the transferor, transferee, or both, to pay to the commission an amount representing the commonwealth's share of the increased value for the transferred licenses, 1426 property or interest; provided, further, that the commission shall consider as a factor in 1427 determining the amount of the payment the market value of the gaming license, property or 1428 interest when it was acquired and at the time of the transfer; provided further, that the 1429 commission may place additional conditions or restrictions on a transfer that the commission 1430 considers suitable; provided further, that the commission may reject a transfer if the commission 1431 considers the transfer unsuitable; and (iii) any payments collected by the commission on behalf of the commonwealth based on the transfer shall be deposited in the same manner as license fees 1433 are deposited.
- 1434 (c) The commission may include any reasonable additional requirements to the license conditions.

Section 22. The sale, assignment, transfer, pledge or other disposition of any security issued by a corporation, which holds a gaming license shall be conditional and shall be ineffective if disapproved by the commission. If at any time the commission finds that an individual owner or holder of a security of a corporate licensee or of a holding or intermediary company with respect thereto is not qualified under this chapter and if as a result the corporate licensee is no longer qualified to continue as a gaming licensee, the commission shall take any

action necessary to protect the interests of the commonwealth including, but not limited to, suspension or revocation of the gaming license of the corporation. 1443

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Each corporation which has been issued a gaming license pursuant to this chapter shall 1445 file a report of any change of its corporate officers or members of its board of directors with the commission. No officer or director shall be entitled to exercise any powers of office until qualified by the commission.

Section 23. (a) A category 1 or category 2 licensee shall issue an annual report to the 1449 commission explicitly stating its progress on meeting each of the stated goals and stipulations put 1450 forth in the licensee's original application. Inability to meet stated goals within a reasonable 1451 time frame, as determined by the commission, shall result in additional fees as deemed fair and reasonable by the commission. Failure to meet stated goals may also result in revocation of the 1453 license at any time by the commission.

Nothing in this section shall preclude the commission at any time from reviewing the business operations of a gaming licensee to ensure that the conditions of licensure are being met 1456 including, but not limited to, the suitability of the gaming licensee and any affiliates and the fiscal stability of the gaming establishment.

- (b) The commission may condition, suspend or revoke a gaming license upon a finding 1459 that a licensee: (i) has committed a criminal or civil offense under this chapter or under any other laws of the commonwealth; (ii) is not in compliance with gaming regulations or is under criminal 1461 investigation in another jurisdiction; (iii) has breached a condition of licensure; (iv) has affiliates, 1462 close associates or employees that are not qualified or licensed under this chapter with whom the gaming licensee continues to conduct business or employ; (v) is no longer capable of maintaining operations at a gaming establishment; or (vi) whose business practice, upon a determination by the commission, is injurious to the policy objectives of this chapter.
- (c) Whenever any person contracts to transfer any property relating to an ongoing gaming 1467 establishment, including a security holding in a gaming licensee or holding or intermediary company, under circumstances which require that the transferee obtain licensure under this chapter, the contract shall not specify a closing or settlement date which is earlier than the 121 days after the submission of a completed application for licensure or qualification, which application shall include a fully executed and approved trust agreement.

The commission shall hold a hearing and render a decision on the interim authorization of the new applicant. If the commission grants interim authorization, then the closing or settlement may occur without interruption of operations of the gaming establishment. If the commission denies interim authorization, there shall be no closing or settlement until the commission makes a determination on the qualification of the applicant, and if the commission then denies qualification the contract shall thereby be terminated for all purposes without liability on the part

1478 of the transferor. The commission shall promulgate further regulations for interim authorization 1479 of a gaming establishment.

- 1480 (d) No person or affiliate shall be awarded, purchase or otherwise hold or have a financial interest in more than 1 gaming license issued by the commission. 1481
- 1482 Section 24. (a) An applicant for a gaming license shall maintain an existing racing facility 1483 on the premises; provided, however, that the gaming licensee shall increase the number of live 1484 racing days to a minimum of 125 days according to the following schedule: (i) in the first calendar year of operation, a gaming licensee shall hold 105 racing days; (ii) in the second 1485 calendar year of operation, a gaming licensee shall hold 115 racing days; and (iii) in the third and 1486 subsequent calendar years of operation, a gaming licensee shall hold 125 racing days; 1487
- 1488 (b) A category 2 licensee may increase the number of live racing days if the gaming 1489 licensee is holding a minimum of 125 racing days within 3 years of receiving a category 2 license. If a gaming licensee does not conduct live racing for the minimum number of days set 1491 forth in subsection (a), the commission shall suspend the gaming license.

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- (c) After 3 years of operation of the gaming establishment and in consultation with the parties to the purse agreement, the commission may adjust the amount of required racing days at a gaming establishment based on fields, demand and racing performance.
- (d) A gaming licensee with a live racetrack shall have an annual purse agreement in 1496 effect by December 31 of each year for the following year's racing; provided, however, that if the parties to a purse agreement at a gaming establishment cannot in good faith negotiate an agreement by December 31, the purse agreement shall be arbitrated by the commission.
- Section 25. (a) No gaming licensee shall conduct gaming without an operations 1500 certificate issued by the commission. An operations certificate shall only be issued upon compliance with the requirements of this chapter including, but not limited to: (i) implementation 1502 of all management controls required by the commission including, without limitation, controls on 1503 accounting, wagering and auditing; (ii) implementation of all security precautions required by 1504 the commission; (iii) an up to date listing of all gaming employees; (iv) licensing or registering 1505 of all gaming employees; (v) the provision of office space at the gaming establishment for use by 1506 the commission employees; (vi) the hours of operation of the gaming establishment; and (vii) that its personnel and procedures are efficient and prepared to entertain the public.
 - The operations certificate shall be conspicuously posted and shall state the number of slot machines, table games or other authorized games, if applicable.
- 1510 (b) A gaming licensee may operate a gaming establishment from 6:00 am to 5:59 am; 1511 provided, however, that the gaming establishment shall register its hours of operation with the 1512 commission.

1513 (c) Each gaming establishment shall arrange its gaming area in such a manner as to promote optimum security for the gaming establishment operations including, but not limited to: 1514 (i) a closed circuit television system according to specifications approved by the commission. 1516 with access on the licensed premises to the system or its signal provided to the commission; (ii) 1517 rooms or locations approved by the commission for use by commission employees; and (iii) design specifications that ensure that visibility in a gaming area is not obstructed in any way that 1518 might interfere with the ability of the commission or the division to supervise gaming establishment operations. 1520

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(d) Each applicant for a gaming license shall submit to the commission: (i) a description 1522 of its minimum system of internal procedures and administrative and accounting controls for gaming and any simulcast wagering operations; (ii) a certification by the applicant's chief legal officer that the submitted procedures conform to this chapter and any regulations promulgated hereunder; and (iii) a certification by the applicant's chief financial officer that the submitted 1525 procedures provide adequate and effective controls, establish a consistent overall system of 1526 1527 internal procedures and administrative and accounting controls and conform to generally 1528 accepted accounting principles and any additional standards required by the commission. Each 1529 applicant shall submit the above descriptions and certifications at least 30 business days before such operations are scheduled to commence unless otherwise directed by the commission; 1530 provided, however, that no gaming licensee shall commence gaming operations or alter its 1532 minimum internal controls until such system of minimum controls is approved by the commission. The commission shall establish regulations for the information required in the 1534 internal control submission.

Any proposed changes to a gaming licensee's system of internal procedures and controls 1536 shall be submitted to the commission along with 2 new certifications from its chief legal and financial officers. If the commission does not object, the gaming licensee may make the proposed changes 15 business days after submitting a description of the changes to the commission.

- (e) Gaming equipment shall not be possessed, maintained or exhibited by any person on the premises of a gaming establishment except in a gaming area approved by the commission or in a restricted area used for the inspection, repair or storage of such equipment and specifically designated for that purpose.
- 1544 (f) Each gaming establishment shall contain a count room and such other secure facilities 1545 as may be required by the commission for the counting and storage of cash, coins, tokens, 1546 checks, plaques, gaming vouchers, coupons and other devices or items of value used in wagering and approved by the commission that are received in the conduct of gaming and for the 1547 1548 inspection, counting and storage of dice, cards, chips and other representatives of value.

- 1549 (g) A dealer may accept tips or gratuities from a patron at the table game where such 1550 dealer is conducting play; provided, however, that such tips or gratuities shall be placed in a pool for distribution among other dealers. The commission shall determine how tips and gratuities 1551 1552 shall be set aside for the dealer pool as well as the manner of distribution among dealers. No key 1553 gaming employee or any other gaming official who serves in a supervisory position shall solicit or accept a tip or gratuity from a player or patron in the gaming establishment where the 1554 1555 employee is employed.
 - (h) No person under the age of 21 shall be permitted to wager or be in a gaming area; provided, however, that a person 18 years or over of age who is a licensed employee of the gaming establishment may be in a gaming area if in the performance of the duties the employee is licensed to undertake.

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- (i) No category 1 or category 2 licensee shall operate unless the gaming establishment manager or the manager's designee is on the premises and representatives of the commission are present at the gaming establishment.
- (i) Each gaming establishment shall file an emergency response plan with the fire 1564 department and police department of the host community which shall include, but not be limited 1565 to: (i) a layout identifying all areas within the facility and grounds, including support systems and the internal and external access routes; (ii) the location and inventory of emergency response 1567 equipment and the contact information of the emergency response coordinator for the gaming 1568 establishment; (iii) the location of any hazardous substances and a description of any public 1569 health or safety hazards present on site; (iv) a description of any special equipment needed to 1570 respond to an emergency at the gaming establishment; (v) an evacuation plan; and (vi) any other 1571 information relating to emergency response as requested by the commission, the fire department 1572 or the police department of the host community.
- Section 26. (a) Notwithstanding chapter 138 or any other general or special law or rule or 1574 regulation to the contrary, the commission may grant, upon request of an applicant for a gaming 1575 license, a gaming beverage license for the sale and distribution of alcoholic beverages to be drunk on the premises of a gaming establishment. The division of gaming liquor enforcement of the alcoholic beverage control commission shall have the authority to enforce, regulate and control the distribution of alcoholic beverages in a gaming establishment.
 - (b) The fee for the gaming beverage license and any renewals of the license shall be determined by the commission. The application fee shall be remitted with the gaming application fee.
- (c) Notwithstanding any regulation to the contrary, a licensee under this section shall be permitted to distribute alcohol free of charge and for on-premise consumption to patrons in the gaming area or as a complimentary service or item in the gaming establishment; provided, 1585 however, that the commission, in consultation with the alcoholic beverages control commission,

shall promulgate regulations on such distribution as well as the forms of identification that may be presented to the gaming licensee to demonstrate proof that a person has attained the age of 21. 1587

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- (d) The request submitted to the commission for a gaming beverage license by an applicant for a gaming license shall detail all areas where alcoholic beverages will be served within the gaming establishment. In issuing a gaming beverage license, the commission shall 1590 describe the scope of the particular license and any restrictions and limitations; provided, however, that the gaming beverage license shall not permit the sale or distribution of alcoholic beverages between the hours of 2 a.m. and 8 a.m.
- (e) A gaming licensee shall be responsible for violations of the gaming beverage license 1595 in the gaming establishment. The commission may revoke, suspend, refuse to renew or refuse to 1596 transfer a gaming beverage license for violations of chapter 138 that pertain to the sale and distribution of alcohol drunk on-premises and the regulations adopted by the commission. If, at any time, a gaming licensee elects temporary suspension of their gaming license due to violations of this section, said gaming licensee shall owe the commonwealth the average tax on 1599 gross gaming revenue based on an appropriate period of time as determined by the commission for the number of days operation was suspended.
- (f) A gaming beverage license shall be nontransferable without prior approval from the 1603 commission. If the gaming beverage license is cancelled, revoked or no longer in use, it shall be 1604 returned physically, with all the legal rights, privileges and restrictions pertaining to the license, to the commission and the commission may then grant the license to a new gaming licensee under the same conditions as specified in this section.
 - (g) A license granted under this section shall not decrease the number of such licenses authorized to be granted to the host community under chapter 138.
- Section 27. (a) A gaming licensee shall be permitted to issue credit to a patron of a gaming establishment in accordance with regulations promulgated by the commission. Such regulations shall include, but not be limited to: (i) procedures for confirming that a patron has an 1611 1612 established credit history and is in good standing; (ii) whether the patron has a good credit 1613 history with the gaming establishment; (iii) authorization of any credit instrument; (iv) methods 1614 for acknowledging a credit instrument and payment of debt; and (v) information to be provided 1615 by the patron to the gaming establishment to be shared with the commission for auditing 1616 purposes.
- (b) Except as otherwise authorized by the commission through regulations under this chapter, no gaming establishment, nor any person acting on behalf of said gaming establishment 1618 shall cash any check, make any loan, or otherwise provide or allow to any person any credit or advance of anything of value, or which represents value, to enable any person to place a wager; or release or discharge any debt, either in whole or in part, or make any loan which represents any losses incurred by any player in gaming or simulcast wagering activity, without maintaining

- 1623 a written record of the release or discharge in accordance with the rules of the commission. Nothing in this section shall prohibit a gaming establishment from accepting credit cards for nongaming related purchases or services. 1625
- 1626 (c) Checks cashed in conformity with the requirements of this section shall be valid 1627 instruments enforceable under the laws of the commonwealth. Any check cashed, transferred, 1628 conveyed or given in violation of this section or regulations promulgated thereunder shall be 1629 invalid and unenforceable.

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- (d) The commission shall establish procedures and standards for approving promotional gaming credits, provided, however, that no such credit shall be reported as a promotional gaming 1631 credit by an operator of a gaming establishment unless the operator can establish that the credit 1633 was issued by the gaming establishment and received from a patron as a wager at a slot machine 1634 in the gaming establishment, provided further, that such promotional gaming credit shall not be taxable for the purposes of determining gross revenue.
- (e) No person, other than a gaming licensee, shall issue credit to a patron in a gaming 1637 establishment.
- 1638 (f) The commission shall, in consultation with the department of transitional assistance, 1639 the department of labor and workforce development, the department of housing and community development or the applicable administering agency, establish by regulation procedures and 1640 1641 standards to prohibit a gaming establishment or any person acting on behalf of a gaming 1642 establishment from: (i) cashing a government-issued check; (ii) from operating on its premises any credit card or ATM machine that would allow a patron to obtain cash from a government-1644 issued Electronic Benefits Transfer Card; and (iii) from extending or issuing credit to a patron of a gaming establishment who receives any form of income-based public assistance including, but 1646 not limited to, the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy 1647 Families, Emergency Aid to Elders, Disabled and Children, public housing assistance, 1648 MassHealth and unemployment insurance. The procedures and standards established shall ensure the privacy of all patrons receiving public assistance. 1649
- 1650 (g) A person may petition the commission to place the person's name on a list of persons 1651 to whom the extension of credit by a gaming establishment shall be prohibited. Any person filing 1652 such petition shall submit to the commission the person's name, address and date of birth. The 1653 person shall not be required to provide a reason for the request. The commission shall provide 1654 this list to the credit department of each gaming establishment; provided, however, that neither 1655 the commission nor the credit department of a gaming establishment shall divulge the names on 1656 this list to any person or entity other than those provided for in this subsection. If such a person 1657 wishes to have their name removed from the list, the person shall petition the commission in accordance with procedures for removal set forth by the commission. If the commission

approves the request, the commission shall so inform the credit department of the gaming establishments no later than 7 days after approving the request. 1660

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(h) Debt collections under this section and regulations promulgated thereunder shall be limited to key gaming employees or attorneys acting directly on behalf of gaming licensees; provided, further, that a key gaming employee shall be prohibited from making any such collections if they serve as a junket representative for the gaming licensee.

Section 28. (a) No gaming licensee shall offer to provide any complimentary services, 1666 gifts, cash or other items of value to any person unless the complimentary item consists of a room, food, beverage, transportation or entertainment expenses provided directly to the patron and the patron's guests by the gaming licensee or indirectly to the patron and the patron's guests on behalf of a third party or the complimentary item consists of coins, tokens, cash or other 1670 complimentary items or services provided through a complimentary distribution program which shall be filed and approved by the commission upon the implementation of the program or 1672 maintained under regulation.

- (b) Gaming licensees shall submit quarterly reports to the commission covering all 1674 complimentary services offered or engaged in by the gaming licensee during the immediately preceding quarter. The reports shall identify regulated complimentary services and the costs of 1676 those services, the number of people who received each service or item and such other 1677 information as the commission may require. The report shall also document any services or 1678 items valued in excess of \$2,000 that were provided to patrons, including detailed reasons as to 1679 why they were provided.
 - (c) Complimentary services or items shall be valued in an amount based upon the retail price normally charged by the gaming licensee for the service or item. The value of a complimentary service or item not normally offered for sale by a gaming licensee or provided by a third party on behalf of a gaming licensee shall be the cost to the gaming licensee of providing the service or item, as determined under rules adopted by the commission.

Section 29. A gaming establishment offering a cashless wagering system shall allow 1686 individuals to monitor and impose betting limits on their cashless wagering. The gaming 1687 establishment shall allow individuals to set betting limits on their cashless wagering including, 1688 but not limited to, per bet limits, hourly limits, daily limits, weekly limits and monthly limits. An 1689 individual may lower limits and increase limits; provided, that the individual shall not increase 1690 betting limits more than once in a 24 hour period. Upon request by an individual, the gaming 1691 establishment shall provide to that individual a statement of that individual's cashless wagering 1692 activity for any given time period including total bets, wins and losses. Activity under this section shall be monitored by the commission. Individuals on the list of excluded persons shall 1694 not be permitted to participate in a cashless wagering system.

1695 Section 30. (a) No person shall be employed by a gaming licensee unless such person has been licensed by or registered with the commission. 1696

- 1697 (b) Any person seeking a key gaming employee license or a gaming employee license shall file an application with the bureau. Such application shall be on a form prescribed by the bureau and shall include, but shall not be limited to, the following: (i) the name of the applicant; 1699 1700 (ii) the address of the applicant; (iii) a detailed employment history of the applicant; (iv) 1701 fingerprints; (v) a criminal and arrest record; and (vi) any civil judgments obtained against the 1702 applicant pertaining to antitrust or security regulation. The bureau may require such other 1703 information as it considers appropriate including, but not limited to, information related to the 1704 financial integrity of the applicant and may require the applicant to submit other documentation 1705 it considers appropriate including, but not limited to, bank accounts and records, bank references, 1706 business and personal income and disbursement schedules, tax returns and other reports filed by 1707 government agencies and business and personal accounting check records and ledgers.
- (c) All other employees in a gaming establishment who are not considered to be gaming employees, key gaming employees or who have restricted access to an area of the gaming 1709 establishment or knowledge of security procedures, shall be required to register with the bureau as a gaming service employee and shall produce such information as the bureau may require to become registered under this chapter. 1712

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- (d) Upon receipt of an application for a key gaming employee license and a gaming 1714 employee license the bureau shall conduct an investigation of each applicant which shall include obtaining criminal offender record information from the criminal history systems board as well as exchanging fingerprint data and criminal history with the state police and the United States 1716 1717 Federal Bureau of Investigation.
 - (e) Upon petition by a gaming licensee, the commission may issue a temporary license to an applicant for a key gaming employee license or a gaming employee license provided that: (i) the applicant for a key gaming employee license or gaming employee license has filed a complete application with the commission; and (ii) the gaming licensee certifies, and the commission finds, that the issuance of a temporary license is necessary for the operation of the gaming establishment and is not designed to circumvent the normal licensing procedures.

Unless otherwise stated by the commission, a temporary license issued under this section shall expire 6 months from the date of its issuance and may be renewed, at the discretion of the commission, for an additional 6 month period.

(f) The commission may deny any application for a key gaming employee or gaming employee license or the registration of any other employee of a gaming establishment if the commission finds that an applicant or registrant is disqualified under section 16 or may be unsuitable for licensure under any of the criteria set forth in section 12; provided, however, that the commission, in its discretion, may issue a license to an applicant for a gaming employee

1732 license or register a gaming service employee who has a prior conviction if the applicant or 1733 registrant can affirmatively demonstrate the applicant's rehabilitation. In considering the 1734 rehabilitation of an applicant for a license under this section, the commission shall consider the 1735 following: (i) the nature and duties of the position of the applicant; (ii) the nature and seriousness 1736 of the offense or conduct; (iii) the circumstances under which the offense or conduct occurred; 1737 (iv) the date of the offense or conduct; (v) the age of the applicant when the offense or conduct 1738 was committed; (vi) whether the offense or conduct was an isolated or repeated incident; (vii) 1739 any social conditions which may have contributed to the offense or conduct; and (viii) any 1740 evidence of rehabilitation, including recommendations and references of persons supervising the 1741 applicant since the offense or conduct was committed.

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- (g) After completing an investigation of an applicant for a key gaming employee or gaming employee license the bureau shall approve or deny the license. Any orders by the bureau denying an application under this section shall be accompanied with an explanation of why an applicant did not meet the qualifications for licensure under this chapter. An applicant for a key gaming employee or gaming employee license may request a hearing before the bureau to contest the findings. After the hearing the applicant may appeal the decision of the bureau to the 1748 commission and the commission may hear the appeal on the record. The decision of the commission shall be final and applicants for a key gaming employee or gaming employee license shall not be entitled to further review.
- (h) The commission shall be authorized to condition, suspend or revoke any license or 1752 registration under this section if the commission finds that a licensee or registrant has: (i) been arrested or convicted of a crime while employed by a gaming establishment and failed to report charges or the conviction to the commission; (ii) failed to comply with the requirements of section 14; or (iii) failed to comply with any of the requirements of this chapter pertaining to 1756 licensees.
 - (i) The commission shall establish fees for a key gaming employee and a gaming employee license which shall include costs incurred for conducting a background investigation into an applicant for a license. The commission shall establish the term of a key gaming employee and a gaming employee license. It shall be the responsibility of any key gaming employee or gaming employee to ensure that the employee's license is current.
- 1762 Section 31. (a) No person shall conduct a business with a gaming licensee unless such person has been licensed or registered with the commission. 1763
- 1764 (b) Any person seeking a gaming vendor license shall file an application with the bureau. Such application shall be on a form prescribed by the commission and shall include, but shall not 1765 be limited to, the following: (i) the name of the applicant; (ii) the post office address and if a 1766 corporation, the name of the state under the laws of which it is incorporated, the location of its 1767 principal place of business and the names and addresses of its directors and stockholders; (iii) a 1768

1769 criminal and arrest record; (iv) any civil judgments obtained against the person pertaining to 1770 antitrust or security regulation; (v) the identity of every person having a direct or indirect interest 1771 in the business, and the nature of such interest; provided further, that if the disclosed entity is a 1772 trust, the application shall disclose the names and addresses of all beneficiaries; provided further, 1773 that if the disclosed entity is a partnership, the names and addresses of all partners, both general and limited; and provided further, that if the disclosed entity is a limited liability company, the 1775 names and addresses of all members; (vi) an independent audit report of all financial activities 1776 and interests including, but not limited to, the disclosure of all contributions, donations, loans or any other financial transactions to or from any gaming entity or operator in the past 5 years; and 1777 1778 (vii) clear and convincing evidence of financial stability including, but not limited to, bank 1779 references, business and personal income and disbursement schedules, tax returns and other 1780 reports filed by government agencies and business and personal accounting check records and 1781 ledgers. The commission may require such other information as it considers appropriate including, but not limited to, information related to the financial integrity of the applicant and may require the applicant to submit other documentation it considers appropriate including, but 1784 not limited to, bank accounts and records, bank references, business and personal income and 1785 disbursement schedules, tax returns and other reports filed by government agencies and business 1786 and personal accounting check records and ledgers.

(c) No person shall manufacture, sell, distribute, test or repair slot machines, other than antique slot machines as defined in section 5A of chapter 271, without a valid gaming vendor license issued by the commission.

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- (d) All other suppliers or vendors who are not considered to be gaming vendors including, but not limited to, construction companies, vending machine providers, linen suppliers, garbage handlers, maintenance companies, limousine services, food purveyors or suppliers of alcoholic beverages, shall be considered non-gaming vendors and shall be required to register with the commission and shall produce such information as the commission may require; provided, however, that the commission may require any vendor regularly conducting over \$250,000 of business with a gaming licensee within a 12-month period or \$100,000 of business within a 3-year period to be licensed as a gaming vendor.
- 1798 (e) Any person owning more than 5 per cent of the common stock of a company required 1799 to be licensed as a gaming vendor, or a holding, intermediary or subsidiary of such company, shall be required to file for licensure. The commission may waive the licensing requirements for 1800 institutional investors holding up to 15 per cent of the stock of the company, or holding, 1801 1802 intermediary or subsidiary company of the such company, upon a showing by the person seeking 1803 the waiver that the applicant purchased the securities for investment purposes only and does not 1804 have any intention to influence or affect the affairs or operations of the company or a holding, 1805 intermediary or subsidiary of the such company. Any institutional investor granted a waiver 1806 which subsequently determines to influence or affect the affairs or operations of the gaming 1807 vendor, or a holding, intermediary or subsidiary of the gaming vendor, shall provide not less than

1808 30 days notice to the commission of such intent and shall file an application and be subject to the 1809 licensing requirements of this chapter before taking any action that may influence or affect the affairs of the applicant company or a holding, intermediary or subsidiary of the applicant company. Any company holding over 15 per cent of a gaming vendor, or a holding, 1812 intermediary or subsidiary of a gaming vendor, shall be licensed under this chapter.

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- (f) If an applicant for a gaming vendor license or vendor or supplier registration is 1814 licensed or registered in another jurisdiction within the United States with comparable license and registration requirements and is in good standing in all the jurisdictions in which it holds a 1816 license or registration, the commission may enter into a reciprocal agreement with the applicant to allow for an abbreviated licensing or registration process and issue a gaming vendor license or registration under this section; provided, however, that the commission shall reserve its rights to investigate the qualifications of an applicant at any time and may require the applicant to submit to a full application for a gaming vendor license or provide further information for registration.
- (g) The bureau shall deny any application for a gaming vendor license or the registration 1822 of any other vendor or supplier if the bureau finds that any applicant or registrant is disqualified 1823 under section 16 or may be unsuitable for licensure under any of the criteria set forth in section 1824 12.
- (h) After completing an investigation of an applicant for a gaming vendor license, the 1826 bureau shall approve or deny the license. Any orders by the bureau denying an application under this section shall be accompanied with an explanation of why an applicant did not meet the qualifications for licensure under this section. An applicant for a gaming vendor license may request a hearing before the bureau to contest the findings. After the hearing the applicant may 1830 appeal the decision of the bureau to the commission and the commission may hear the appeal on the record. The decision of the commission shall be the final and applicants for a gaming vendor license shall not be entitled to further review.
- (i) The commission shall be authorized to condition, suspend or revoke any license or 1834 registration under this section if the commission finds that a licensee or registrant has: (i) been arrested or convicted of a crime; (ii) failed to comply with section 13; or (iii) failed to comply 1836 with any provision of this chapter pertaining to licensees.
- 1837 (i) The commission shall establish a master gaming or non-gaming vendor list to monitor all vendor contracts with a gaming establishment. Any gaming or non-gaming vendor doing 1838 1839 business with a gaming establishment who has failed to submit an application for licensure or 1840 registration shall be prohibited from engaging in any future business with a gaming 1841 establishment; provided, however, that the commission may terminate any contract that has been 1842 entered into with an unlicensed or unregistered gaming or non-gaming vendor.
- 1843 (k) Gaming licensees shall have a continuing duty to inform the commission of all vendor 1844 contracts.

- 1845 (1) A license or registration issued under this section shall be issued for a term of 3 years. 1846 It shall be the responsibility of the gaming vendor or non-gaming vendor to ensure that the 1847 license is current.
- 1848 (m) The commission shall establish fees for gaming vendor licenses and non-gaming 1849 vendor registrations which shall include costs incurred for conducting a background 1850 investigation into an applicant for the license.
- 1851 (n) The commission shall monitor the conduct of all gaming vendors and other persons 1852 having a material involvement, directly or indirectly, with a gaming vendor to ensure that gaming vendor licenses are not issued to, or held by, and there is no direct or indirect material 1853 1854 involvement with, a gaming vendor by unqualified, disqualified or unsuitable persons.
- 1855 Section 32. (a) Each labor organization, union or affiliate seeking to represent employees 1856 who are employed at a gaming establishment shall register with the commission.
- 1857 (b) Neither a labor organization, nor its officers who are not otherwise licensed or 1858 registered under this chapter, may hold any financial interest in a gaming establishment whose employees are represented by the organization. 1859

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- Section 33. (a) No junkets may be organized or permitted and no person may act as a junket representative or junket enterprise except as authorized by the commission under this 1862 chapter.
- (b) A junket representative employed by a gaming licensee or affiliate of a gaming 1864 licensee shall be licensed as a gaming employee including provisions for the issuance of a 1865 temporary license; provided, however, that the junket representative need not be a resident of the 1866 commonwealth. A person who holds a valid gaming employee license may act as a junket representative while employed by a gaming licensee or an affiliate. No gaming licensee shall employ or otherwise engage a junket representative who is not licensed under this chapter.
- (c) The commission shall deny an application for a license under this section if the 1870 commission finds that an applicant is disqualified under section 16 or may be unsuitable for licensure under any of the criteria set forth in section 12.
 - (d) Each gaming licensee, junket representative or junket enterprise shall file a report with the bureau with respect to each list of junket patrons or potential junket patrons purchased directly or indirectly by the gaming licensee, junket representative or enterprise.
- 1875 (e) No junket enterprise or junket representative or person acting as a junket 1876 representative shall: (i) engage in efforts to collect upon checks that have been returned by banks without full and final payment; (ii) exercise approval authority with regard to the authorization or 1877 1878 issuance of credit under this chapter; (iii) act on behalf of or under any arrangement with a 1879 gaming licensee or a gaming patron with regard to the redemption, consolidation or substitution

1880 of the gaming patron's checks awaiting deposit; (iv) individually receive or retain any fee from a patron for the privilege of participating in a junket; or (v) pay for any services, including 1882 transportation, or other items of value provided to, or for the benefit of, any patron participating 1883 in a junket.

1884 Section 34. (a) Upon revocation or suspension of a gaming license or upon the failure or 1885 refusal to renew a gaming license the commission may appoint a conservator to temporarily 1886 manage and operate the business of the gaming licensee relating to the gaming establishment. 1887 Such conservator shall be a person of similar experience in the field of gaming management and, in the case of replacing a gaming licensee, shall have experience operating a gaming 1888 establishment of similar caliber in another jurisdiction, and shall be in good standing in all 1889 1890 jurisdictions in which the conservator operates operate any gaming establishment. Upon appointment, a conservator shall agree to all licensing provisions of the former gaming licensee. 1891

(b) A conservator shall, before assuming, managerial or operational duties, execute and file a bond for the faithful performance of such duties payable to the commission with such surety and in such form and amount as the commission shall approve.

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- (c) The commission shall require that the former or suspended gaming licensee purchase 1896 liability insurance, in an amount determined by the commission, to protect a conservator from liability for any acts or omissions of the conservator during the conservator's appointment which are reasonably related to, and within the scope of the conservator's duties.
- (d) During the period of temporary management of the gaming establishment, the 1900 commission shall initiate proceedings under this chapter to award a new gaming license to a qualified applicant whose gaming establishment shall be located at the site of the preexisting gaming establishment.
 - (e) Applicants for a new gaming license shall be qualified for licensure under this chapter; provided, however, that the commission shall determine an appropriate level of investment by an applicant into the preexisting gaming establishment.
 - (f) Upon award of a new gaming license, the new gaming licensee shall pay the original licensing fee required under this chapter.
 - Section 35. (a) The bureau shall have the authority to issue orders requiring persons to cease any activity which violates this chapter, a regulation adopted hereunder or any law related to gaming in the commonwealth. The bureau may, in its order, require compliance with such terms and conditions as are reasonably necessary to effectuate the purposes of this chapter.
- 1912 (b) If the bureau finds that a person is not in compliance with any order issued under this 1913 section, it shall assess a civil administrative penalty. The penalty may be assessed whether or not the violation was willful. In determining the amount of the civil penalty, the bureau shall

1915 consider: (i) the nature of the violation; (ii) the length of time the violation occurred; (iii) the risk 1916 to the public and to the integrity of gaming operations created by the conduct of the person; (iv) 1917 the seriousness of the conduct of the person; (v) any justification or excuse for such conduct by 1918 the person; (vi) the prior history of the particular person involved with respect to gaming activity; (vii) any corrective action taken by the person to prevent future misconduct; and (viii) 1919 and other relevant factors. 1920

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- (c) In addition to collecting any civil penalties recoverable under this chapter or any other 1922 general or special law, the bureau may bring an action in the superior court to restrain, prevent or enjoin any conduct prohibited by this chapter or to compel action to comply immediately and 1924 fully with any order issued by the bureau. Except in cases of emergency where, in the opinion of 1925 the court, immediate abatement of the unlawful conduct is required to protect the public interest, 1926 the court may in its decree fix a reasonable time during which the person responsible for the 1927 unlawful conduct may abate and correct the violation. The expense of the proceeding shall be 1928 recoverable from the subject of the proceeding.
 - (d) Upon a recommendation from the bureau, the commission shall issue orders to condition, suspend or revoke a license or permit issued under this chapter.
- (e) The bureau shall issue an order to cease and desist any activity if the bureau finds that 1932 a licensee has engaged in or is about to engage in an act or practice which constitutes a violation 1933 of this chapter or laws of the commonwealth and may take such affirmative action to effectuate 1934 the order. If the bureau finds that the licensee is engaged in an act or practice that would cause 1935 irreparable harm to the security and integrity of the gaming establishment or the interests of the 1936 commonwealth in ensuring the security and integrity of gaming under this chapter, the bureau 1937 may issue a temporary suspension of the license.
- (f) Any licensee who has been issued a temporary order of suspension by the bureau shall 1939 be entitled to a hearing before the commission on such suspension within 7 days that the order was issued. At the conclusion of the hearing, the commission may issue a final order to condition, suspend or revoke the license in question.
- 1942 (g) A licensee shall have the right to an adjudicatory hearing on an order issued by the bureau under chapter 30A. 1943

Section 36. (a) The bureau may assess a civil administrative penalty on a licensee or 1945 registrant who fails to comply with any provision of this chapter or any regulation or order adopted by the commission; provided, however, that such noncompliance occurred after the bureau had given such person written notice of such noncompliance and the time stated in the notice for coming into compliance had elapsed; provided, however, that the bureau may assess such penalty without providing such written notice if such failure to comply: (i) was part of a pattern of noncompliance and not an isolated instance; (ii) was willful or neglectful and not the 1951 result of error; (iii) resulted in a significant breach to the integrity of the gaming establishment or 1952 gaming laws of the commonwealth; and (iv) consisted of failure to promptly report to the 1953 commission any knowledge of evidence or circumstances that would cause a reasonable person 1954 to believe that a violation of this chapter had been committed. The civil administrative penalty shall be in addition to any other civil penalty that may be prescribed by law.

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- (b) For the purpose of determining whether such noncompliance was part of a pattern of 1957 noncompliance and not an isolated instance, the bureau shall consider without limitation the following: (i) whether the bureau had previously notified the person of such noncompliance on 1959 more than one occasion during the previous month or of any noncompliance with the same 1960 provision of a law, regulation, order, license or approval as the current noncompliance during the 1961 previous 6 month period; or (ii) whether the current and previous noncompliances, considered 1962 together, indicate a potential threat to the integrity of the gaming establishment and gaming in 1963 the commonwealth or an interference with the commission's ability to efficiently and effectively 1964 regulate gaming in the commonwealth and enforce any regulation, license or order. If a licensee or registrant who has received a notice of noncompliance fails to come into compliance within the time period stated in such notice, the civil administrative penalty may be assessed by the bureau upon such licensee or registrant from the date of receipt of such notice.
- 1968 (c) Whenever the bureau seeks to assess a civil administrative penalty on any licensee or 1969 registrant, the bureau shall cause to be served upon such licensee or registrant, either by service, 1970 in hand, or by certified mail, return receipt requested, a written notice of its intent to assess a 1971 civil administrative penalty which shall include a concise statement of the alleged act or 1972 omission for which such civil administrative penalty is sought to be assessed, each law, 1973 regulation, order, license or approval which has not been complied with as a result of such 1974 alleged act or omission, the amount which the bureau seeks to assess as a civil administrative 1975 penalty for each such alleged act or omission, a statement of such licensee's or registrant's right 1976 to an adjudicatory hearing on the proposed assessment, the requirements such licensee or 1977 registrant must comply with to avoid being deemed to have waived the right to an adjudicatory 1978 hearing and the manner of payment thereof if such person elects to pay the penalty and waive an adjudicatory hearing. After written notice of noncompliance or intent to assess a civil 1979 1980 administrative penalty has been given, each such day thereafter during which such 1981 noncompliance occurs or continues shall constitute a separate offense and shall be subject to a separate civil administrative penalty if reasonable efforts have not been made to promptly come 1983 into compliance.
 - (d) Whenever the bureau seeks to assess a civil administrative penalty on any licensee or registrant, such licensee or registrant shall have the right to an adjudicatory hearing under chapter 30A whose provisions shall apply except when they are inconsistent with the provisions of this chapter.
 - (e) Such licensee or registrant shall be deemed to have waived such right to an adjudicatory hearing unless, within 21 days of the date of the bureau's notice that it seeks to

1990 assess a civil administrative penalty, such licensee or registrant files with the bureau a written 1991 statement denying the occurrence of any of the acts or omissions alleged by the bureau in such 1992 notice, or asserting that the money amount of the proposed civil administrative penalty is excessive. In any adjudicatory hearing authorized under chapter 30A, the bureau shall, by a 1994 preponderance of the evidence, prove the occurrence of each act or omission alleged by the 1995 bureau.

(f) If a licensee or registrant waives the right to an adjudicatory hearing, the proposed civil administrative penalty shall be final immediately upon such waiver. If a civil administrative penalty is assessed at the conclusion of an adjudicatory hearing, said civil administrative penalty shall be final upon the expiration of 30 days if no action for judicial review of such decision is commenced under chapter 30A.

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- 2001 (g) Any licensee or registrant who institutes proceedings for judicial review of the final assessment of a civil administrative penalty shall place the full amount of the final assessment in an interest-bearing escrow account in the custody of the clerk or magistrate of the reviewing 2003 2004 court. The establishment of such an interest-bearing escrow account shall be a condition precedent to the jurisdiction of the reviewing court unless the party seeking judicial review 2005 2006 demonstrates in a preliminary hearing held within 20 days of the filing of the complaint either 2007 the presence of a substantial question for review by the court or an inability to pay. Upon such a 2008 demonstration, the court may grant an extension or waiver of the interest-bearing escrow account 2009 or may require, in lieu of such interest-bearing escrow account, the posting of a bond payable 2010 directly to the commonwealth in the amount of 125 per cent of the assessed penalty. If, after 2011 judicial review, in a case where the requirement for an escrow account has been waived, and in 2012 cases where a bond has been posted in lieu of such requirement, the court affirms, in whole or in 2013 part, the assessment of a civil administrative penalty the commission shall be paid the amount 2014 thereof together with interest at the rate provided in section 6C of chapter 231. If, after such 2015 review in a case where an interest-bearing escrow account has been established, the court affirms 2016 the assessment of such penalty, in whole or in part, the commission shall be paid the amount thereof together with the accumulated interest in the interest-bearing escrow account. If the court 2017 2018 sets aside the assessment of a civil administrative penalty in a case where the amount of such 2019 penalty has been deposited in an interest-bearing escrow account, the licensee or registrant on whom the civil administrative penalty was assessed shall be repaid the amount so set aside, 2020 2021 together with the accumulated interest thereon.
- (h) Each licensee or registrant who fails to pay a civil administrative penalty on time, and each person who issues a bond under this section and who fails to pay to the commission on time 2023 the amount required hereunder, shall be liable to the commonwealth for up to 3 times the amount of the civil administrative penalty, together with costs, plus interest from the time the civil administrative penalty became final and attorneys' fees, including all costs and attorneys' fees incurred directly in the collection thereof. The rate of interest shall be the rate provided in section 2028 6C of chapter 231. The bureau shall be authorized to require that the amount of a civil

administrative penalty imposed under this section exceed any economic benefit realized by a 2030 person for noncompliance.

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2031 Section 37. (a) Whoever conducts or operates, or permits to be conducted or operated, any game or gaming device in violation of this chapter or the regulations adopted under this 2033 chapter shall be punished by imprisonment in the state prison for not more than 5 years or imprisonment in the house of correction for not more than 2½ years, or by a fine not to exceed 2035 \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed 2036 \$100,000.

- (b) Whoever employs, or continues to employ, an individual in a position, the duties of 2038 which require a license or registration under this chapter, who is not so licensed or registered, 2039 shall be punished by imprisonment in the house of correction for not more than 6 months or by a 2040 fine not to exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000.
- (c) Whoever works or is employed in a position, the duties of which require licensing or 2043 registration under this chapter, without the required license or registration, shall be punished by imprisonment in the house of correction for not more than 6 months or a fine not to exceed \$10,000, or both. 2045
- (d) A gaming licensee who, without the permission of the commission: (i) places a game 2047 or gaming device into play or displays a game or gaming device in a gaming establishment; or (ii) receives, directly or indirectly, any compensation or reward or any percentage or share of the 2048 2049 revenue for keeping, running or carrying on a game, or owning the real property upon, or the 2050 location within which any game occurs, shall be punished by imprisonment in the house of 2051 correction for not more than 2½ years or by a fine not to exceed \$25,000, or both, and in the case 2052 of a person other than a natural person, by a fine not to exceed \$100,000.
- (e) Whoever conducts or operates any game or gaming device after the person's gaming 2054 license has expired and prior to the actual renewal of the gaming license shall be punished by 2055 imprisonment in the house of correction for not more than 1½ years or a fine not to exceed 2056 \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed 2057 \$100,000.
- 2058 (f) A gaming licensee who knowingly fails to exclude from the licensee's gaming 2059 establishment any person placed by the commission on the list of excluded persons shall be 2060 punished by a fine not to exceed \$5,000 or by imprisonment in the house of correction for not more than 1 year, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000. 2062
- 2063 (g) Whoever willfully: (i) fails to report, pay or truthfully account for and pay over a 2064 license fee or tax imposed by this chapter or by the regulations adopted under this chapter; or (ii)

2065 evades or defeats, or attempts to evade or defeat, a license fee or tax or payment of a license fee 2066 or tax shall be punished by imprisonment in the state prison for not more than 5 years or in the 2067 house of correction for not more than 2½ years or a fine not to exceed \$100,000, or both, and in 2068 the case of a person other than a natural person, by a fine not to exceed \$5,000,000.

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Section 38. Whoever willfully resists, prevents, impedes, interferes with or makes any 2070 false, fictitious or fraudulent statement or representation to the bureau, commission or division or to agents or employees of the bureau, commission or division in the lawful performance of the agent's or employee's duties under this chapter shall be punished by imprisonment in the state prison for not more than 5 years or in the house of correction for not more than 2½ years or by a fine not to exceed \$25,000, or both.

Section 39. (a) Whoever, during a game in a gaming establishment, knowingly and by 2076 any trick or sleight of hand performance or by a fraud or fraudulent scheme, cards, dice or other gaming device, for himself, for another or for a representative of either: (i) wins, or attempts to win, money or property; or (ii) reduces, or attempts to reduce, a losing wager in a gaming establishment shall be guilty of cheating and swindling.

- (b) Whoever knowingly uses a cheating and swindling device or game in a gaming establishment shall be guilty of cheating and swindling.
 - (c) Whoever commits the offense of cheating and swindling shall be punished as follows:
- 2083 (i) if the value of the money, property or wager cheated and swindled is \$75,000 or more, by imprisonment in the state prison for not more than 10 years or in the house of correction for 2084 2085 not more than $2\frac{1}{2}$ years or by a fine not to exceed \$1,000,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$10,000,000; 2086
 - (ii) if the value of the money, property or wager cheated and swindled is \$10,000 or more but less than \$75,000, by imprisonment in the state prison for not more than 5 years or in the house of correction for not more than 2½ years or by a fine not to exceed \$500,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$5,000,000;
- (iii) if the value of the money, property or wager cheated and swindled is \$1,000 or more 2092 but less than \$10,000, by imprisonment in the state prison for not more than 3 years or in the house of correction for not more than 2½ years or by a fine not to exceed \$100,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$1,000,000;
- (iv) if nothing of value was obtained in violation of this subsection or if the value of the 2096 money, property or wager cheated and swindled is less than \$1,000, by imprisonment in the house of correction for not more than 2½ years or by a fine not to exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000.

(d) Each episode or transaction of swindling and cheating may be the subject of a 2100 separate prosecution and conviction. In the discretion of the commonwealth, multiple episodes or transactions of swindling and cheating committed as part of a single scheme or course of 2101 2102 conduct may be treated as a single offense and the amounts involved in acts of swindling and cheating committed according to a scheme or course of conduct, whether by the same person or several persons, may be aggregated in determining the value of money, property or wager 2104 involved in the offense. 2105

- 2106 (e) A gaming licensee, or an employee of a gaming licensee, who, in a gaming 2107 establishment, knowingly: (i) conducts or operates any game using a cheating and swindling 2108 device or game; (ii) displays for play a cheating and swindling game; or (iii) permits to be 2109 conducted, operated or displayed, any cheating and swindling device or game shall be punished 2110 by imprisonment in the state prison for not more than 5 years or imprisonment in the house of correction for not more than $2\frac{1}{2}$ years, or by a fine not to exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000. 2112
- 2113 Section 40. (a) Whoever possesses a cheating and swindling device or game, with the intent to defraud, cheat or steal, shall be punished by imprisonment in the house of correction for 2114 not more than $2\frac{1}{2}$ years or by a fine not to exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000. 2116
- 2117 (b) Possession of a cheating and swindling device or game within a gaming establishment shall constitute prima facie evidence of an intent to defraud, cheat or steal, except possession by 2118 a gaming licensee or an employee of a gaming licensee, acting lawfully in furtherance of such 2119 person's employment within the gaming establishment, shall be punished by imprisonment in the 2120 2121 house of correction for not more than $2\frac{1}{2}$ years or a fine not to exceed \$10,000, or both.
- 2122 Section 41. Whoever manufactures, distributes, sells or services a gaming device, in 2123 violation of this chapter or regulations adopted under this chapter and for the purpose of defrauding, cheating or stealing from a person playing, operating or conducting a game in a 2124 gaming establishment, shall be punished by imprisonment in the state prison for not more than 5 2125 2126 years or imprisonment in the house of correction for not more than 2½ years or by a fine not to 2127 exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$150,000. 2128
- 2129 Section 42. Any device, game or gaming device possessed, used, manufactured, 2130 distributed, sold or serviced in violation of this chapter shall be subject to seizure and forfeiture by the division or bureau. Forfeiture proceedings shall be conducted as provided in subsections 2131 2132 (b) to (j), inclusive, of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said chapter 94C, the commission shall be considered a police department, entitled to a 2133 2134 police department's distribution of forfeiture proceedings.

Section 43. (a) Whoever, being under 21 years old, plays, places wagers at or collects winnings from, whether personally or through an agent, a game in a gaming establishment shall be punished by imprisonment in the house of correction for not more than 6 months or a fine not to exceed \$1,000, or both.

- (b) Whoever, being a gaming licensee or an employee of a gaming licensee, who knowingly allows a person under the age of 21 to play, place wagers at, or collect winnings from a game in a gaming establishment, whether personally or through an agent, shall be punished, for a first offense, by imprisonment in the house of correction for not more than 1 year or a fine not to exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine not correction for not more than 2 years or a fine not to exceed \$50,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$50,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$50,000.
- Section 44. All penalties collected under this chapter shall be deposited into the Gaming Revenue Fund established under this chapter.
- 2149 Section 45. (a) The commission, by regulation, shall provide for the establishment of a 2150 list of excluded persons who are to be excluded from a gaming establishment. In determining the list of excluded persons, the commission may consider, but shall not be limited to: (i) 2151 2152 whether a person has been convicted of a criminal offense under the laws of any state or the 2153 United States that is punishable by more than 6 months in a state prison, a house of correction or 2154 any comparable incarceration, a crime of moral turpitude or a violation of the gaming laws of 2155 any state; (ii) whether a person has violated or conspired to violate this chapter relating to: 2156 (A) failure to disclose an interest in a gaming establishment for which the person is required to 2157 obtain a license; or (B) willful evasion of fees or taxes; (iii) whether a person has a notorious or 2158 unsavory reputation which would adversely affect public confidence and trust that the gaming 2159 industry is free from criminal or corruptive elements; and (iv) the potential of injurious threat to the interests of the commonwealth in the gaming establishment. 2160
- 2161 (b) No person shall be placed on the list of excluded persons due to race, color, religion, 2162 national origin, ancestry, sexual orientation, disability or sex.
- (c) The commission may revoke, limit, condition, suspend or fine a gaming establishment if such establishment knowingly or recklessly fails to exclude or eject from its premises any person placed by the commission on the list of excluded persons.
- 2166 (d) Whenever the commission places a name on the list of excluded persons, the 2167 commission shall serve written notice upon that person by personal service, registered or 2168 certified mail return receipt requested to the last ascertainable address, or by publication in a 2169 daily newspaper of general circulation for 1 week.

- 2170 (e)(1) Within 30 days of receipt of service by mail or 60 days after the last publication 2171 under subsection (d), a person placed on the list of excluded persons may request an adjudicatory hearing before the commission under chapter 30A and show cause as to why the person should 2172 be removed from the list of excluded persons. Failure to demand a hearing within the time 2173 2174 allotted in this section shall preclude the person from having an administrative hearing, but in no way affect the person's right to petition for judicial review.
- 2176 (2) Upon receipt of a demand for hearing, the commission shall set a time and place for 2177 the hearing. This hearing shall be held not later than 30 days after receipt of the demand for the 2178 hearing, unless the time of the hearing is changed by agreement of the commission and the 2179 person demanding the hearing.
- 2180 (3) If, upon completion of the hearing, the commission determines that the person was 2181 wrongfully placed on the list of excluded persons, the commission shall remove the person's name from the list of excluded persons and notify all gaming licensees. A person aggrieved by a 2182 final decision of the commission in an adjudicatory proceeding under this section may petition 2183 for judicial review under section 14 of chapter 30A. 2184

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- (f) The commission shall establish a list of self-excluded persons from gaming 2186 establishments. A person may request such person's name to be placed on the list of selfexcluded persons by filing a statement with the commission acknowledging that the person is a problem gambler and by agreeing that, during any period of voluntary exclusion, the person may not collect any winnings or recover any losses resulting from any gaming activity at a gaming 2190 establishment. The commission shall adopt further regulations, under section 5, for the selfexcluded persons list including procedures for placement, removal and transmittal of such list to 2192 gaming establishments.
 - (g) Gaming establishments shall not market to persons on any excluded persons list and shall deny access to complimentaries, check cashing privileges, club programs and other similar benefits to persons on the self-excluded persons list.
- (h) Notwithstanding any other law to the contrary, the self-excluded persons list shall not 2197 be open to public inspection. Nothing in this section, however, shall prohibit a gaming establishment from disclosing the identity of persons on the self-excluded persons list under this section to affiliated gaming establishments in this commonwealth or other jurisdictions for the limited purpose of assisting in the proper administration of responsible gaming programs operated by affiliated gaming establishments.
- 2202 (i) As used in this subsection the following words shall, unless the context clearly 2203 requires otherwise have the following meanings:

- (i) "Problem gambler", a person who chronically or habitually gambles to the extent that:
 2205 (1) such gambling substantially interferes with the person's social or economic functioning; or
 2206 (2) the person has lost the power of self control
- over that person's gambling.
- (ii) "Immediate family", the spouse, parent, child, brother or sister of an individual.

2209 An immediate family member or guardian may petition, in writing, a district court for an 2210 order of exclusion from gaming establishments applicable to a person whom the petitioner has 2211 reason to believe is a problem gambler. Upon receipt of a petition for an order of exclusion of a 2212 person and any sworn statements the court may request from the petitioner, the court shall immediately schedule a hearing on the petition and shall cause a summons and a copy of the 2213 petition to be served upon the person as provided by section 25 of chapter 276. The person may 2214 be represented by legal counsel and may present independent expert or other testimony. The 2216 court shall order examination by a qualified psychologist. If, after a hearing, the court based 2217 upon competent testimony finds that said person is a problem gambler and there is a likelihood of serious harm as a result of the person's gambling, the court may order that such person be 2218 prohibited from gaming in gaming establishments. The court shall communicate this order to the 2219 commission, which shall place the person's name on the list of excluded persons. 2220

- (j) A person who is prohibited from gaming in a gaming establishment under this section shall not collect any winnings or recover losses arising as a result of prohibited gaming winnings obtained by a person who is prohibited from gaming in a gaming establishment shall be forfeited to the commission and deposited into the Gaming Revenue Fund.
- 2225 (k) The commission shall pursue an interstate compact for the purposes of sharing 2226 information
- regarding the excluded persons list.

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2228 Section 46. No applicant for a gaming license, nor any holding, intermediary or 2229 subsidiary company thereof, nor any officer, director, key gaming employee or principal employee of an applicant for or holder of a gaming license or of any holding, intermediary or 2230 2231 subsidiary company thereof nor any person or agent on behalf of any such applicant, holder, 2232 company or person, shall directly or indirectly, pay or contribute any money or thing of value to 2233 any candidate for nomination or election to any public office in the commonwealth or to any 2234 group, political party, committee or association organized in support of any such candidate or political party; except that the provisions of this section shall not be construed to prohibit any 2235 individual who is a candidate for public office from contributing to the candidate's own 2237 campaign.

2238 Section 47. All political contributions or contributions in kind made by an applicant for a gaming license to a municipality or a municipal employee, as defined in section 1 of chapter 2239 268A, of the host community of the applicant's proposed gaming establishment shall be 2240 disclosed, by the applicant, to the commission and the city or town clerk of the host community. 2241 2242 Such disclosure shall be made by the applicant bi-annually, on or before July 15 for the period covering January 1 through June 30 of that year and on or before January 15 for the period covering July 1 through December 31 of the preceding year. The office of campaign and 2244 political finance shall promulgate regulations to provide for timely and expeditious public reporting, which shall include electronic means or public posting in a city or town hall and post office, by city and town clerks of the contribution disclosures they receive from applicants.

2248 Section 48. A gaming licensee shall be subject to chapters 62 through 62E, inclusive, and chapters 63 through 63B, inclusive. 2249

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Section 49. (a) A gaming establishment, including any business located within a gaming establishment, shall not be a certified project within the meaning of section 3F of chapter 23A. 2251 Gaming establishments shall not be designated as economic opportunity areas within the 2252 meaning of section 3E of chapter 23A. Gaming establishments shall not be eligible for tax 2254 increment financing under section 59 of chapter 40 or special tax assessments set forth in section 3E of chapter 23A. Gaming establishments shall not be classified and taxed as recreational land under chapter 61B. Gaming establishments shall not be designated as a development district within the meaning of chapter 40Q.

2258 (b) Unless otherwise provided, a gaming establishment or a business located or to be 2259 located within a gaming establishment shall not be eligible for the following credits or 2260 deductions listed in chapter 62 or chapter 63: the investment tax credit under section 31A of 2261 chapter 63, the employment credit under section 31C of said chapter 63, the van pool credit 2262 under section 31E of said chapter 63, the deduction for expenditures for industrial waste 2263 treatment or air pollution control under section 38D of said chapter 63, the deduction for 2264 compensation paid to an eligible business facility's employees domiciled in a section of substantial poverty under section 38F of said chapter 63, the film tax credit under subsection (1) 2265 of section 6 of chapter 62 and section 38X of said chapter 63, the alternative energy sources 2266 deduction under section 38H of said chapter 63, the research expense credit under section 38M 2267 2268 of said chapter 63, the economic opportunity area credit under subsection (g) of section 6 of said chapter 62, and section 38N of said chapter 63, the abandoned building deduction under 2269 subparagraph (10) of subsection (a) of Part B of section 3 of said chapter 62 and section 380 of 2270 said chapter 63, the harbor maintenance tax credit under section 38P of said chapter 63, the 2271 2272 brownfields credit under subsection (j) of section 6 of said chapter 62 and section 38Q of said chapter 63, the historic rehabilitation tax credit under section 6J of said chapter 62 and section 2273 38R of said chapter 63 and the automatic sprinkler system depreciation deduction under section 2274 2275 38S of said chapter.

2276 Section 50. Any liability to the commonwealth under this chapter shall constitute a debt 2277 to the commonwealth. Once a statement naming a gaming licensee is recorded, registered or filed, any such debt shall constitute a lien on all commercial property owned by a gaming 2278 licensee in the commonwealth and shall have priority over an encumbrance recorded, registered 2279 2280 or filed with respect to any site.

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- Section 51. (a) Prior to disbursement of cash or a prize in excess of \$600, a gaming 2282 licensee shall review information made available by the IV-D agency, as set forth in chapter 119A and by the department of revenue to ascertain whether the winner of the cash or prize owes past-due child support to the commonwealth or to an individual to whom the IV-D agency is providing services and to ascertain whether the winner of the cash or prize owes any past-due tax liability to the commonwealth.
- (b) If the winner of the cash or prize owes past-due child support or a past-due tax liability, the gaming licensee shall notify the IV-D agency or the commonwealth, respectively, of 2288 the winner's name, address and social security number. Subsequent to statutory state and federal tax withholding, the gaming licensee shall first disburse to the IV-D agency the full amount of 2290 the cash or prize or such portion of the cash or prize that satisfies the winner's past-due child 2292 support obligation.
- (c) If funds remain available after the disbursement to the IV-D agency or if no such 2294 obligation to the IV-D agency is owed, the gaming licensee shall disburse to the department of revenue the full amount of the cash or prize or such portion of the cash prize that satisfies the winner's past-due tax liability. The licensee shall disburse to the holder only that portion of the prize, if any, remaining after the holder's past-due child support obligation and the holder's pastdue tax liability have been satisfied.
- Section 52. Gaming licensees shall, on a monthly basis, transmit to the department of 2300 transitional assistance and to the IV-D agency, as set forth in chapter 119A, a list of all persons who were awarded cash winning or a prize in excess of \$600 in the prior month. The information shall be provided in a format which is compatible with the automated data processing systems of 2302 the department and the IV-D agency to ensure the immediate identification of persons who may be receiving public assistance benefits. The information provided shall include the name, address and social security number of the person who was awarded the cash or prize valued in excess of 2306 \$600.
- 2307 Section 53. Unclaimed cash and prizes shall be retained by the gaming licensee for the person entitled to the cash or prize for 1 year after the game in which the cash or prize was won. 2308 2309 If no claim is made for the cash or prize within 1 year, the cash or equivalent cash value of the 2310 prize shall be deposited in the Gaming Revenue Fund established in section 59.

- 2311 Section 54. If the person entitled to cash or a prize is under the age of 21 years, the cash 2312 or prize shall be remitted to the commission and deposited into the Gaming Revenue Fund established in section 59. 2313
- 2314 Section 55. (a) A category 1 licensee shall pay a daily tax of 25 per cent on gross gaming 2315 revenues.
- 2316 (b) A category 2 licensee shall pay a daily tax of 40 per cent on gross gaming revenue.
- 2317 (c) In addition to the tax imposed under subsection (b), a category 2 licensee shall pay a 2318 daily assessment of 9 per cent of their gross gaming revenue to the Massachusetts race horse development fund established in section 60. 2319
- 2320 (d) Taxes imposed under this section shall be remitted to the commission by a gaming 2321 licensee the day following each day of wagering.
- 2322 Section 56. (a) In addition to any other tax or fee imposed by this chapter, there shall be 2323 imposed an annual license fee of \$600 for each slot machine approved by the commission for use by a gaming licensee at a gaming establishment; provided, however, that not sooner than 5 years 2324 2325 after award of an original gaming license, the commission may annually adjust the fee for 2326 inflation. The fee shall be imposed as of July 1 of each year for all approved slot machines on that date and shall be assessed on a pro rata basis for any slot machine approved for use 2328 thereafter.
- 2329 (b) The commission shall establish fees for any investigation into a violation of this 2330 chapter or regulation promulgated thereunder by a gaming licensee to be paid by the gaming 2331 licensee, including, but not limited to, billable hours by commission staff involved in the 2332 investigation and the costs of services, equipment or other expenses that are incurred by the 2333 commission during the investigation.
- 2334 (c) Any remaining costs of the commission necessary to maintain regulatory control over 2335 gaming establishments that are not covered by: (i) the fees set forth in subsections (a) and (b); 2336 (ii) any other fees assessed under this chapter; or (iii) any other designated source of funding, shall be assessed annually on gaming licensees under this chapter in proportion to the number of 2337 2338 gaming positions at each gaming establishment. Each gaming licensee shall pay the amount 2339 assessed against it within 30 days after the date of the notice of assessment from the commission.
- 2340 (d) If the fees collected in subsections (a) and (b) exceed the cost required to maintain regulatory control, the surplus funds shall be credited in proportional shares against each gaming 2342 licensee's next assessment.
- 2343 (e) In addition to the fees collected under this section and any additional costs of the 2344 commission, the commission shall assess an annual fee of not less than \$5,000,000 in 2345 proportional shares against each gaming licensee in proportion to the number of gaming

positions at each gaming establishment for the costs of service and public health programs dedicated to addressing problems associated with compulsive gambling. Such assessed fees shall 2348 be deposited into the Public Health Trust Fund established in section 58.

(f) All fees and assessments collected under this section, except those collected under subsection (e), shall be deposited into the Gaming Control Fund established in section 57.

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Section 57. (a) There shall be established and set up on the books of the commonwealth a 2352 separate fund to be known as the Massachusetts Gaming Control Fund. The commission shall be 2353 the trustee of the fund and shall expend monies to finance operational activities of the 2354 commission. The fund shall be credited any appropriations, bond proceeds or other monies 2355 authorized by the general court and specifically designated to be credited thereto, the proceeds of 2356 the assessments levied under section 56, application fees for licenses issued under this chapter 2357 and such additional funds as are subject to the direction and control of the commission. All available monies in the fund that are unexpended at the end of each fiscal year shall not revert to 2358 the General Fund and shall be available for expenditure in the subsequent fiscal year. Any funds 2359 2360 unexpended in any fiscal year for the purposes of which such assessments were made shall be credited against the assessment to be made in the following fiscal year and the assessment in the 2361 2362 following fiscal year shall be reduced by any such unexpended amount. The commission shall record all expenditures made by subsidiary on the Massachusetts management and accounting 2363 2364 reporting system, so-called, according to regulations established by the state comptroller.

(b) The commission shall, for the purposes of compliance with state finance law, operate as a state agency as defined in section 1 of chapter 29 and shall be subject to the provisions applicable to agencies under the control of the governor including, but not limited to, chapters 7, 7A, 10 and 29; provided, however, that the comptroller may identify any additional instructions or actions necessary for the commission to manage fiscal operations in the state accounting 2370 system and meet statewide and other governmental accounting and audit standards. Unless otherwise exempted by law or the applicable central service agency, the commission shall participate in any other available commonwealth central services including, but not limited, to the state payroll system under section 31 of said chapter 29, and may purchase other goods and services provided by state agencies in accordance with comptroller provisions. The comptroller may chargeback the commission for the transition and ongoing costs for participation in the state accounting and payroll systems and may retain and expend such costs without further appropriation for the purposes of this section. The commission shall be subject to section 5D of chapter 29 and subsection (f) of section 6B of chapter 29.

The commission shall annually submit a finance plan to the secretary of administration and finance, the chairs of the house and senate committees on ways and means and the chairs of the joint committee on economic development and emerging technologies.

2382 Section 58. There is hereby established and set up on the books of the commonwealth a 2383 separate fund to be known as the Public Health Trust Fund. The public health trust fund shall 2384 consist of fees assessed under section 56 and all other monies credited or transferred to the fund 2385 from any other source under law. The secretary of health and human services shall be the trustee 2386 of the public health trust fund and may only expend monies in the fund, without further appropriation, to assist social service and public health programs dedicated to addressing 2387 2388 problems associated with compulsive gambling, including, but not limited to, gambling prevention and addiction services, educational campaigns to mitigate the potential addictive 2389 nature of gambling and any studies and evaluations necessary, including the annual research 2390 2391 agenda under section 71, to ensure the proper and most effective strategies.

2392 Section 59. There shall be established and set up on the books of the commonwealth a 2393 Gaming Revenue Fund, hereinafter the fund, which shall receive revenues collected from the tax 2394 on gross gaming revenue received from gaming licensees. The commission shall be the trustee of 2395 the fund and shall transfer monies in the fund as follows:

- (1) 100 per cent of the revenue received from a category 2 licensee shall be transferred to 2397 the Gaming Local Aid Fund; and
- 2398 (2) 100 per cent of the revenue received from a category 1 licensee shall be transferred 2399 as follows:

- 2400 (a) 2 per cent of revenues to the Massachusetts cultural council of which one-quarter of 2401 the revenues received shall be dedicated to the organization support program of the 2402 Massachusetts cultural council and three-quarters of revenues shall be dedicated to support not-2403 for-profit or municipally-owned performing arts centers impacted as a result of the operation of 2404 gaming facilities; provided, however, that funds dedicated to such performing arts centers shall 2405 be to subsidize fees paid to touring shows or artists; provided further, that funding shall be 2406 appropriated through a competitive grant process to be developed and administered by the Massachusetts cultural council; 2407
- 2408 (b) 1/2 per cent to the Massachusetts Tourism Fund to fund tourist promotion agencies under clause (c) of section 35J of chapter 10. 2409
- 2410 (c) 6.5 per cent to the Community Mitigation Fund established in section 61;
- 2411 (d) 2 per cent to the Local Capital Projects Fund, established in section 2EEEE of chapter 2412 29;
- 2413 (e) 25 per cent to the Gaming Local Aid Fund, established in section 63;
- 2414 (f) 10 per cent to the Commonwealth Stabilization Fund established in section 2H of 2415 chapter 29; provided, however, that in any fiscal year in which the amount appropriated in item 2416 7061-0008 of the general appropriation act, paid from the General Fund, or the amount of

- 2417 unrestricted general government aid paid from the General Fund, including lottery aid 2418 distribution to cities and towns as paid from the General Fund under clause (c) of the second paragraph of section 35 of said chapter 10 and the amount of additional funds distributed to cities 2420 and towns as additional assistance paid from the General Fund, is less than that of the previous 2421 fiscal year, up to 1/2 of the funds otherwise directed to the Commonwealth Stabilization Fund 2422 under this section, up to an amount equal to the deficiency between said appropriations for the current and previous fiscal years, shall be transferred to the Gaming Local Aid Fund in addition 2424 to the 25 per cent under clause (e);
- 2425 (g) 14 per cent to the Education Fund, established in section 64;

- 2426 (h) 10 per cent shall be transferred to the Economic Development Fund, established in 2427 section 2DDDD of chapter 29;
- (i) 10 per cent shall be used for debt reduction through a program of debt defeasance and 2429 accelerated debt payments; provided, however, that this program shall be developed jointly by 2430 the state treasurer and the secretary of administration and finance and shall be implemented in 2431 compliance with state finance law; provided further, that this program shall prioritize the 2432 reduction of risk in the commonwealth's debt portfolio; and provided further, that the state 2433 secretary and state treasurer shall provide a written description of the program to the finance 2434 advisory board established in section 97 of chapter 6 for the board's review and comment before 2435 the program is implemented and shall file a copy of that description with the house and senate 2436 committees on ways and means and the house and senate committees on bonding, capital expenditures and state assets when it is submitted to the finance advisory board; 2437
- 2438 (j) 15 per cent shall be transferred to the Transportation Infrastructure and Development Fund, established in section 62; and 2439
 - (k) 5 per cent to the Public Health Trust Fund.
- 2441 Section 60. (a) There shall be established and set up on the books of the commonwealth a 2442 Race Horse Development Fund to be administered by the commission. The fund shall consist of monies deposited under subsection (c) of section 55. The commission shall make distributions from the Race Horse Development Fund to each licensee under chapter 128A. 2444
- 2445 (b) Funds received from subsection (a) shall be allocated by the commission as follows:
- 2446 (i) 80 per cent shall be deposited weekly into a separate, interest-bearing purse account to 2447 be established by and for the benefit of the horsemen; provided, however, that the earned interest 2448 on the account shall be credited to the purse account; and provided further, that licensees shall 2449 combine these funds with revenues from existing purse agreements to fund purses for live races 2450 consistent with those agreements with the advice and consent of the horsemen;

- 2451 (ii) for a thoroughbred track, 8 per cent shall be deposited on a monthly basis into the 2452 Massachusetts Thoroughbred Breeding Program authorized by the commission in section 2 of 2453 chapter 128;
- 2454 (iii) for a harness track, 8 per cent shall be deposited on a monthly basis into the 2455 Massachusetts Standardbred Breeding Program authorized by the commission in section 2 of 2456 chapter 128 and an additional 8 per cent shall be deposited on a monthly basis into a 2457 Standardbred Breeder Development Program authorized by the commission; and
- 2458 (iv) 4 per cent shall be used to fund health and pension benefits for the members of the 2459 horsemen's organizations representing the owners and trainers at the racetrack at which the category 2 licensee operates for the benefit of the organization's members, their families, 2460 2461 employees and others under the rule and eligibility requirements of the organization, as approved by the commission; provided, however, that this amount shall be deposited within 5 business 2463 days of the end of each month into a separate account to be established by each respective 2464 horsemen's organization at a banking institution of its choice; and provided further, that of this amount, the commission shall determine how much shall be paid annually by the horsemen's 2466 organization to the thoroughbred jockeys or standardbred drivers organization at the racetrack at 2467 which the licensed racing entity operates for health insurance, life insurance or other benefits to 2468 active and disabled thoroughbred jockeys or standardbred drivers under the rules and eligibility 2469 requirements of that organization.
- 2470 Section 61. (a) There shall be established and set up on the books of the commonwealth a 2471 separate fund to be known as the Community Mitigation Fund. The fund shall consist of monies transferred under section 59 and all other monies credited or transferred to the fund from any 2472 2473 other fund or source.
- (b) The commission shall administer the fund and, without further appropriation, shall 2475 expend monies in the fund to assist the host community and surrounding communities in offsetting costs related to the construction and operation of a gaming establishment including, 2476 but not limited to, communities and water and sewer districts in the vicinity of a gaming 2477 establishment, local and regional education, transportation, infrastructure, housing, environmental issues and public safety, including the office of the county district attorney, police, fire and emergency services.

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- (c) Parties requesting appropriations from the fund shall submit a written request for 2482 funding to the commission before February 1 of each year. The commission may hold a public hearing in the region of a gaming establishment to provide parties with the opportunity to provide further information about their request for funds and shall distribute funds to requesting parties based on demonstrated need.
- 2486 Section 62. There shall be established and set up on the books of the commonwealth a 2487 fund to be known as the Transportation Infrastructure and Development Fund. The fund shall

2488 consist of monies transferred from the Gaming Revenue Fund and all other monies credited or 2489 transferred to the fund from any other fund or source and proceeds from the investment of such 2490 funds. The secretary of transportation shall be the trustee of this fund, provided that no funds 2491 shall be expended until the secretary of administration and finance has provided written approval 2492 annually of a proposed spending plan. Any expenditures from this fund shall be solely for the purpose of transportation and related infrastructure projects, including but not limited to transit 2493 2494 expansion and maintenance.

Section 63. There shall be established and set up on the books of the commonwealth a 2496 fund to be known as the Gaming Local Aid Fund. The fund shall consist of monies transferred under section 59 and all monies credited or transferred to the fund from any other fund or source.

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Section 64. There shall be established and set up on the books of the commonwealth a fund to be known as the Education Fund. The fund shall be credited any monies transferred 2500 under section 59 and all monies credited to or transferred to the fund from any other fund or 2501 source. Expenditures from said fund for K-12 education shall be used to supplement, and not offset, any reduction in item 7061-0008 of the general appropriation act from the previous fiscal year's general appropriation act.

Section 65. The commission shall audit as often as the commission determines necessary, 2505 but not less than annually, the accounts, programs, activities, and functions of all gaming 2506 licensees. To conduct the audit, authorized officers and employees of the commission shall have 2507 access to such accounts at reasonable times and the commission may require the production of 2508 books, documents, youchers and other records relating to any matter within the scope of the 2509 audit, except tax returns. The superior court shall have jurisdiction to enforce the production of 2510 records that the commission requires to be produced under this section and the court shall order 2511 the production of all such records within the scope of any such audit. All audits shall be 2512 conducted in accordance with generally accepted auditing standards established by the American 2513 Institute of Certified Public Accountants. In any audit report of the accounts, funds, programs, 2514 activities and functions of a gaming licensee issued by the commission, containing adverse or 2515 critical audit results, the commission may require a response, in writing, to the audit results. The response shall be forwarded to the commission within 15 days of notification by the commission. 2516

On or before April 1 of each year, the commission shall submit a report to the clerks of the house of representatives and the senate who shall forward the report to the house and senate committees on ways and means which shall include, but not be limited to: (i) the number of audits performed under this section; (ii) a summary of findings under the audits; and (iii) the cost of each audit.

Section 66. Unless the commission otherwise determines it to be in the best fiscal 2523 interests of the commonwealth, the commission shall utilize the services of a independent testing laboratory that has obtained a license as a gaming vendor to perform the testing of slot machines 2524

and other gaming equipment, and may also utilize applicable data from any such independent testing laboratory, or from a governmental agency of a state other than the Massachusetts, 2526 2527 authorized to regulate slot machines and other gaming equipment.

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Section 67. The commission shall continue to evaluate the status of Indian tribes in the 2529 commonwealth, including, without limitation, gaining federal recognition or taking land into trust for tribal economic development. The commission shall evaluate and make a 2531 recommendation to the governor and the chairs of the joint committee on economic development 2532 and emerging technologies as to whether it would be in the best interest of the commonwealth to enter into any negotiations with said tribes for the purposes of establishing Class III gaming on tribal land.

Section 68. (a) There shall be a gaming policy advisory committee to consist of the governor or the governor's designee, who shall serve as chair; the commission chair; the senate president or the president's designee; the speaker of the house of representatives or the speaker's designee; the commissioner of public health or the commissioner's designee; and 8 persons to be appointed by the governor, 3 of whom shall be representatives of gaming licensees, 1 of whom shall be a representative of a federally recognized Indian tribe in the commonwealth, 1 of whom shall be a representative of organized labor and 3 of whom shall be appointed from the vicinity 2542 of each gaming establishment, as defined by host community and surrounding community, upon 2543 determination of the licensee and site location by the commission. The committee shall designate 2544 subcommittees to examine community mitigation, compulsive gambling and gaming impacts on 2545 cultural and tourism. Members of the committee shall serve for 2 year terms. The committee 2546 shall meet at least once annually for the purpose of discussing matters of gaming policy. The recommendations of the committee concerning gaming policy made under this section are advisory and shall not be binding on the commission and board.

(b) There shall be a subcommittee on community mitigation under the gaming policy advisory committee consisting of 7 members: 1 of whom shall be appointed from the host 2550 community in region 1; 1 of whom shall be appointed from the host community in region 2; 1 of whom shall be appointed from the host community in region 3; 1 of whom shall be a representative from the department of revenue's division of local services; 1 of whom shall be a representative of the commission; 1 of whom shall be appointed by the governor and have professional experience in community mitigation related to gaming; and 1 of whom shall be a representative from the Massachusetts municipal association. The subcommittee shall develop 2557 recommendations to be considered by the commission to address issues of community mitigation as a result of the development of gaming establishments in the commonwealth, including, but not limited to: how funds may be expended from the Community Mitigation Fund, the impact of gaming establishments on the host community as well as surrounding communities including, but not limited to, the impact on local resources as a result of new housing construction and potential necessary changes to affordable housing laws, increased education costs and curriculum changes due to population changes in the region, development and maintenance of infrastructure

2564 related to increased population and utilization in the region and public safety impacts resulting 2565 from the facility and how to address that impact. The subcommittee shall receive input from 2566 local community mitigation advisory committees. The subcommittee shall review annually the expenditure of funds from the Community Mitigation Fund and make recommendations to the 2567 2568 commission relative to appropriate and necessary use of community mitigation funds. The commission may promulgate such regulations as advised by the subcommittee. 2569

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- (c) There shall be a subcommittee on addiction services under the gaming policy advisory committee consisting of 5 members: 1 of whom shall be a representative from the department of public health's bureau of substance abuse services; 1 of whom shall be a representative from the Massachusetts Council on Compulsive Gambling, Inc.; 1 of whom shall be a representative of 2574 the commission; and 2 of whom shall be appointed by the governor with professional experience in the area of gambling addictions. The subcommittee shall develop recommendations for 2575 2576 regulations to be considered by the commission in addressing issues related to addiction services as a result of the development of gaming establishments in the commonwealth, including by not limited to, prevention and intervention strategies.
- (d) There shall be a subcommittee on public safety under the gaming policy advisory 2580 committee consisting of 7 members: 1 of whom shall be a member of the commission; 1 of whom shall be the secretary of the executive office of public safety or the secretary's designee; 1 2582 of whom shall be the attorney general or the attorney general's designee; 1 of whom shall be a representative from the Massachusetts District Attorneys Association; 1 of whom shall be the 2583 2584 colonel of the state police or the colonel's designee; 1 of whom shall be a representative from the Massachusetts Chiefs of Police Association; and 1 of whom shall be a representative of a public 2585 2586 safety labor union. The subcommittee shall develop recommendations for regulations to be considered by the commission to address public safety issues as a result of the development of 2587 gaming establishments in the commonwealth, including but not limited to, how to mitigate the impact of gaming establishments on crimes committed in the commonwealth. The subcommittee 2590 shall also study the impact of gaming establishments on all aspects of public safety in the commonwealth.
- 2592 (e) Each region, as defined in section 19, may establish a local community mitigation 2593 advisory committee, which shall include not fewer than 6 members: 1 of whom shall be 2594 appointed by each of the host and surrounding communities; 1 of whom shall be appointed by 2595 each regional planning agency to which at least 1 of the host or surrounding communities belongs; and 4 of whom shall be appointed by the commission, of whom at least 1 shall 2596 represent a chamber of commerce in the region, 1 shall represent a regional economic 2597 2598 development organization in the region, and 2 shall represent human service providers in the region. Each local committee shall annually elect a chair and such other officers as it deems 2599 2600 necessary to carry out its duties.

Each local community mitigation advisory committee may provide information and 2602 develop recommendations for the subcommittee on community mitigation on any issues related to the gaming establishment located in its region including, but not limited to: (i) issues of community mitigation; (ii) how funds may be expended from the Community Mitigation Fund; and (iii) the impact of the gaming establishments on the host and surrounding communities. Additionally, each local community mitigation advisory committee may present information to the commission consistent with the rules of the commission on any issues related to the gaming establishment located in its region.

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2609 Section 69. The commission shall report monthly to the governor, the attorney general, 2610 the senate and house committees on ways and means, the chairs of the joint committee on revenue and the chairs of the joint committee on economic development and emerging 2612 technologies the total gaming revenues, prize disbursements and other expenses for the preceding month and shall make an annual report to the same recipients which shall include a 2613 2614 full and complete statement of gaming revenues, prize disbursements and other expenses, 2615 including such recommendations as the commission considers necessary or advisable. The 2616 commission shall report immediately to the governor, the attorney general, the senate and house 2617 committees on ways and means, the senate and house chairs of the joint committee on revenue 2618 and the senate and house chairs of the joint committee on economic development and emerging 2619 technologies any matter which requires immediate changes in the laws of the commonwealth in 2620 order to prevent abuses or evasions of the laws, rules or regulations related to gaming or to 2621 rectify undesirable conditions in connection with the administration or operation of gaming in 2622 the commonwealth.

Section 70. The commission shall annually submit a complete and detailed report of the 2624 commission's activities, including a review of the implementation and enforcement of this chapter and the governance structure established in this chapter, within 90 days after the end of the fiscal year to the governor, the attorney general, the treasurer and receiver general, the clerk of the house of representatives, the clerk of the senate, the chairs of the joint committee on economic development and emerging technologies and the chairs of the house and senate committees on ways and means.

2630 Section 71. The Massachusetts gaming commission, with the advice of the gaming policy 2631 advisory committee, shall develop an annual research agenda in order to understand the social and economic effects of expanding gaming in the commonwealth and to obtain scientific 2632 information relative to the neuroscience, psychology, sociology, epidemiology and etiology of 2633 gambling. The secretary of health and human services, with the advice and consent of the 2634 2635 commission may expend funds from the Public Health Trust Fund, established in section 58, to implement the objectives of the research agenda which shall include, but not be limited to, the 2636 following: 2637

(1) a baseline study of the existing occurrence of problem gambling in the 2639 commonwealth; provided, however, that the study shall examine and describe the existing levels of problem gambling and the existing programs available that prevent and address the harmful consequences of problem gambling; provided further, that the commission shall contract with 2641 2642 scientists and physicians to examine the current research as to the causes for problem gambling and the health effects of problem gambling and the treatment methods currently available in the commonwealth; provided further, that the commission shall report on the findings of the baseline 2645 study and provide recommendations to the house and senate committees on ways and means, the 2646 joint committee on economic development and emerging technologies, the joint committee on mental health and substance abuse and the joint committee on public health relative to methods to supplement or improve problem gambling prevention and treatment services;

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- (2) comprehensive legal and factual studies of the social and economic impacts of gambling in the commonwealth on: (a) state, local and Indian tribal governments; and (b) communities and social institutions generally, including individuals, families and businesses 2652 within such communities and institutions; provided, however, that the matters to be examined in such studies shall include, but not be limited to:
- (i) a review of existing federal, state, local and Indian tribal government policies and practices with respect to the legalization or prohibition of gambling, including a review of the 2655 costs of such policies and practices; 2656
- 2657 (ii) an assessment of the relationship between gambling and levels of crime and of existing enforcement and regulatory practices intended to address any such relationship; 2658
- 2659 (iii) an assessment of pathological or problem gambling, including its impact on individuals, families, businesses, social institutions and the economy; 2660
 - (iv) an assessment of the impact of gambling on individuals, families, businesses, social institutions and the economy generally, including the role of advertising in promoting gambling and the impact of gambling on depressed economic areas;
 - (v) an assessment of the extent to which gaming has provided revenues to other state, local and Indian tribal governments;
- 2666 (vi) an assessment of the costs of added infrastructure, police force, increased 2667 unemployment, increased health care and dependency on public assistance; and
 - (vii) the costs of implementing chapter 23K of the General Laws; and
- 2669 (3) individual studies conducted by academic institutions in the commonwealth and 2670 individual researchers located in the commonwealth to study topics which shall include, but not be limited to: (i) reward and aversion, neuroimaging and neuroscience in humans, addiction 2671 2672 phenotype genotype research, gambling-based experimental psychology and mathematical

2673 modeling of reward-based decision-making; (ii) the sociology and psychology of gambling 2674 behavior, gambling technology and marketing; and (iii) the epidemiology and etiology of 2675 gambling and problem gambling in the general population; provided, however, that when contracting with researchers to study such issues, the commission shall encourage the 2676 2677 collaboration among researchers in the commonwealth and other states and jurisdictions.

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The commission and the committee shall annually make scientifically-based 2679 recommendations which reflect the results of this research to the house and senate committees on ways and means, the joint committee on economic development and emerging technologies, the joint committee on mental health and substance abuse and the joint committee on public health. The commission shall consider any such recommendations, research and findings in all decisions related to enhancing responsible gambling and mitigating problem gambling.

SECTION 17. Chapter 23K of the General Laws is hereby amended by striking out section 7, as appearing in section 12, and inserting in place thereof the following section:-

Section 7. The commission shall administer and enforce any general and special law related to pari-mutuel wagering and simulcasting. The commission shall serve as a host racing commission and an off-track betting commission for purposes of 15 U.S.C. 30001, et seg.

2689 SECTION 18. Chapter 29 of the General Laws is hereby amended by inserting after 2690 section 2BBBB the following 3 sections:

Section 2CCCC. There shall be established and set up on the books of the 2692 commonwealth a separate fund to be known as the Local Aid Stabilization Fund. The fund shall 2693 consist of monies transferred to it from the Gaming Revenue Fund established in section 59 of chapter 23K, all other monies credited or transferred to it from any other fund or source and proceeds from the investment of such funds. Subject to appropriation, the fund shall be distributed to cities and towns as a supplement to other sources of local aid distributions, but shall not be subject to section 5C.

2698 Section 2DDDD. There shall be established and set up on the books of the 2699 commonwealth a separate fund to be known as the Gaming Economic Development Fund. The 2700 fund shall be credited with revenues transferred to it from the Gaming Revenue Fund established 2701 in section 59 of chapter 23K. Amounts credited to the fund shall be expended, subject to 2702 appropriation, to support economic development and job growth including, but not limited to: (1) 2703 workforce training, including transfers to the Workforce Competitiveness Trust Fund; (2) tourism promotion, including regional tourism promotion agencies and cultural and recreational 2705 attraction promotion; (3) summer jobs; (4) the Massachusetts Marketing Partnership; (5) higher 2706 education scholarships; (6) regional economic development initiatives; (7) support for small businesses, including small business lending; (8) green jobs promotion; (9) science, technology, 2707 2708 engineering and mathematics career pipeline initiatives; and (10) agricultural development 2709 programs, including youth agricultural education.

- Section 2EEEE. There shall be established and set up on the books of the commonwealth a Local Capital Projects Fund. The fund shall be credited with any monies transferred from licensing fees of gaming establishments or funds transferred from the Gaming Revenue Fund under chapter 23K and any monies credited to or transferred to the fund from any other fund or source.
- SECTION 19. Section 38 of said chapter 29, as appearing in the 2008 Official Edition, is hereby amended by striking out, in lines 115 and 116, the words "Fund, as established and defined in section thirty-five of chapter ten," and inserting in place thereof the following words: and Gaming Fund established in section 35 of chapter 10.
- SECTION 20. Said section 38 of said chapter 29, as so appearing, is hereby further amended by striking out, in lines 127 and 128, the words "the said State Lottery" and inserting in place thereof the following words:- the State Lottery and Gaming.
- SECTION 21. Section 1 of chapter 32 of the General Laws is hereby amended by inserting after the word "connector", in line 211, as amended by section 47 of chapter 25 of the acts of 2009, the following words:-, the Massachusetts gaming commission,.
- SECTION 22. Section 2 of chapter 32A of the General Laws is hereby amended by inserting after the word "authority", in line 12, as appearing in the 2008 Official Edition, the following words:-, the Massachusetts gaming commission.
- SECTION 23. Section 94 of chapter 41 of the General Laws, as so appearing, is hereby amended by inserting after the word "and", in line 7, the first time it appears, the following word:- illegal.
- SECTION 24. Section 7A of chapter 55 of the General Laws, as so appearing, is hereby amended by adding the following subsection:-
- (c) The aggregate of all contributions by a person who holds a license issued by the Massachusetts gaming commission, who was required to apply for that license under section 14 of chapter 23K, for the benefit of any 1 candidate and such candidate's committee shall not exceed \$200 in a calendar year. The aggregate of all contributions by a person who holds a license issued by the Massachusetts gaming commission, who was required to apply for that license under section 14 of chapter 23K, for the benefit of any other political committee, other than a ballot question committee, shall not exceed \$200 in a calendar year.
- SECTION 25. Section 18C of chapter 58 of the General Laws, as so appearing, is hereby amended by inserting after the word "Lottery", in line 6, the following words:- and Gaming.
- SECTION 26. Section 18D of said chapter 58 is hereby repealed.

2743 SECTION 27. Section 5A of chapter 62 of the General Laws, as so appearing, is hereby 2744 amended by inserting after the word "commonwealth", in line 24, the following words:-, 2745 including gaming winnings acquired at or through a gaming establishment under chapter 23K.

2746 SECTION 28. The seventh paragraph of section 2 of chapter 62B of the General Laws, 2747 as so appearing, is hereby amended by striking out the first 2 sentences and inserting in place thereof the following 2 sentences:- Every person, including the United States, the 2748 2749 commonwealth or any other state, or any political subdivision or instrumentality of the 2750 foregoing, making any payment of lottery or wagering winnings, which are subject to tax under 2751 chapter 62 and which are subject to withholding under section 3402(q) of the Internal Revenue 2752 Code, without the exception for slot machines, keno and bingo played at licensed casinos in 2753 subsections (g)(5) and (r) of the Internal Revenue Code, shall deduct and withhold from such 2754 payment an amount equal to 5 per cent of such payment, except that such withholding for 2755 purposes of this chapter shall apply to payments of winnings of \$600 or greater notwithstanding any contrary provision of the Internal Revenue Code. For the purposes of this chapter and 2756 2757 chapter 62C, such payment of winnings shall be treated as if it were wages paid by an employer 2758 to an employee.

2759 SECTION 29. Said chapter 62B is hereby further amended by striking out section 5, as so appearing, and inserting in place thereof the following section:-2760

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Section 5. Every employer required to deduct and withhold from an employee or payee a 2762 tax under section 2 or who would have been required under said section 2 in the case of an employee to deduct and withhold a tax if the employee had not claimed any personal exemption or dependency exemptions, shall furnish to each such employee or payee in respect of the wages 2765 or other payments paid by such employer to such employee or payee during the calendar year, on 2766 or before January 31 of the succeeding year, or, if an employee's employment is terminated 2767 before the close of such calendar year, within 30 days from the day on which the last payment of 2768 wages shall be made, a written statement in duplicate showing the name of the employer, the 2769 name of the employee or payee and the social security number of such employee or payee, if any, the total amount of wages or other amounts subject to taxation under chapter 62 and the 2770 total amount deducted and withheld as tax. The statement shall contain such other information as 2771 the commissioner may prescribe. The commissioner may grant reasonable extensions of time, not exceeding 60 days, for the furnishing of the statement.

An employer who fails to withhold or pay to the commissioner any sum required by this chapter to be withheld or paid shall be personally and individually liable therefor to the commonwealth. The term "employer," as used in this section and in section 11, shall include a person or entity required to withhold tax from a payee, an officer or employee of a corporation or a member or employee of a partnership or limited liability company who, as such officer, employee or member is under a duty to withhold and pay over taxes in accordance with this

2780 section and section 2. Any sum withheld in accordance with said section 2 shall be considered to be held in trust for the commonwealth. 2781

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If an employer in violation of this chapter fails to withhold the tax in accordance with section 2 and thereafter the tax against which such tax may be credited pursuant to section 9 is paid, the tax so required to be withheld shall not be collected from the employer; but this paragraph shall not relieve the employer from liability for any penalties or additions to the tax otherwise applicable in respect of such failure to withhold.

SECTION 30. The first paragraph of section 8 of chapter 62C of the General Laws, as so appearing, is hereby amended by striking out the last sentence and inserting in place thereof the following sentence:-The same basis of reporting shall be utilized for income that is subject to taxation or withholding under chapter 62 or 62B but is not subject to taxation or withholding under the Code.

SECTION 31. The third paragraph of subsection (f) of section 38 of chapter 63 of the 2793 General Laws, as so appearing, is hereby amended by adding the following clause:- (8) in the case of a business deriving receipts from operating a gaming establishment or otherwise deriving 2794 2795 receipts from conducting a wagering business or activity, income-producing activity shall be 2796 considered to be performed in this commonwealth to the extent that the location of wagering transactions or activities that generated the receipts is in this commonwealth.

SECTION 32. Said subsection (f) of said section 38 of said chapter 63, as so appearing, 2799 is hereby amended by inserting after the word "place", in line 200, the following clause:- (7) in the case of a business deriving receipts from operating a gaming establishment or otherwise 2800 deriving receipts from conducting a wagering business or activity, income-producing activity shall be considered to be performed in this commonwealth to the extent that the location of wagering transactions or activities that generated the receipts is in this commonwealth.

SECTION 33. Section 2 of chapter 70 of the General Laws, as so appearing, is hereby amended by inserting after the word "Lottery", in line 355, the following words:- and Gaming.

2806 SECTION 34. Section 2 of chapter 128 of the General Laws, as so appearing, is hereby amended by striking out, in line 99, the words "or dog". 2807

2808 SECTION 35. Said section 2 of said chapter 128, as so appearing, is hereby further 2809 amended by striking out subsection (i).

2810 SECTION 36. Said subsection 2 of said chapter 128, as so appearing, is hereby further 2811 amended by striking out, in lines 152 and 153, the words "the provisions of paragraphs (b), (f), (g), and (i)" and inserting in place thereof the following words:- subsections (b), (f) and (g). 2812

2813 SECTION 37. Section 1 of chapter 128A of the General Laws, as so appearing, is hereby amended by striking out, in line 6, the words "state racing commission" and inserting in place 2814 thereof the following words:- Massachusetts gaming commission established in chapter 23K. 2816 SECTION 38. Said chapter 128A is hereby repealed. SECTION 39. Section 1 of chapter 128C of the General Laws, as appearing in the 2008 2817 2818 Official Edition, is hereby amended by striking out, in line 12, the words "state racing 2819 commission" and inserting in place thereof the following words:- Massachusetts gaming 2820 commission established in chapter 23K. SECTION 40. Said chapter 128C of the General Laws is hereby repealed. 2821 2822 SECTION 41. Section 1 of chapter 137 of the General Laws, as appearing in the 2008 2823 Official Edition, is hereby amended by inserting after the word "gaming", in line 2, the following words:-, except for gaming conducted in licensed gaming establishments pursuant to chapter 2824 2825 23K. 2826 SECTION 42. Section 2 of said chapter 137, as so appearing, is hereby amended by 2827 striking out, in line 2, the word "where" and inserting in place thereof the following words:-, but not including an owner or operator of a licensed gaming establishment pursuant to chapter 23K, 2829 where. 2830 SECTION 43. Section 3 of said chapter 137, as so appearing, is hereby amended by inserting after the word "betting,", in line 5, the following words:-, but not including gaming 2832 conducted pursuant to chapter 23K. 2833 SECTION 44. Section 18 of chapter 139 of the General Laws, as so appearing, is hereby 2834 amended by inserting after the word "of", in line 6, the word:- illegal. 2835 SECTION 45. Section 177A of chapter 140 of the General Laws, as so appearing, is hereby amended by inserting after the word "machines", in line 12, the following words:-, but 2836 not including slot machines as defined in chapter 23K. 2837 2838 SECTION 46. Section 26A of chapter 180 of the General Laws, as so appearing, is 2839 hereby amended by striking out, in lines 4 and 16, each time it appears, the words "or dog". 2840 SECTION 47. The General Laws are hereby amended by inserting after chapter 267 the 2841 following chapter:-2842 Chapter 267A 2843 Money Laundering.

2844 Section 1. As used in this chapter, the following words shall, unless the context clearly 2845 requires otherwise have the following meanings:

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"Criminal activity", activity which constitutes a criminal offense punishable under the laws of the commonwealth by imprisonment in a state prison or a criminal offense committed in another jurisdiction punishable under the laws of that jurisdiction as a felony.

2849 "Financial institution", (1) a bank as defined in section 1 of chapter 167; (2) a national 2850 banking association, bank, savings and loan, savings bank, cooperative bank, building and loan 2851 or credit union organized under the laws of the United States; (3) a banking association, bank, 2852 savings and loan, savings bank, cooperative bank, building and loan or credit union organized 2853 under the laws of any state; (4) an agency, agent or branch of a foreign bank; (5) a currency 2854 dealer or exchange; (6) a person or business engaged primarily in the cashing of checks; (7) a 2855 person or business regularly engaged in the issuing, selling or redeeming of traveler's checks, 2856 money orders or similar instruments; (8) a broker or dealer in securities or commodities; (9) a 2857 licensed transmitter of funds or other person or business regularly engaged in the transmission of 2858 funds to a foreign nation for others; (10) an investment banker or investment company; (11) an 2859 insurer; (12) a dealer in precious metals, stones or jewels; (13) a pawnbroker or scrap metal 2860 dealer; (14) a telegraph or other communications company; (15) a personal property or real estate broker; (16) a dealer in vehicles including, but not limited to, automobiles, aircraft and vessels; 2861 2862 (17) an operator of a betting or gaming establishment; (18) a travel agent; (19) a thrift institution, as defined by section 1 of chapter 167F; (20) an operator of a credit card system; or (21) a loan 2863 2864 or finance company.

"Monetary instrument", the currency and coin of the United States or any foreign 2866 country; any bank check, money order, stock, investment security, or negotiable instrument in bearer form or otherwise in such form that title passes upon delivery; gold, silver or platinum bullion or coins; diamonds, emeralds, rubies or sapphires; any negotiable instrument including: bank checks, cashier's checks, traveler's checks, or monetary orders made payable to the order of a named party that have not been endorsed or which bear restrictive endorsements; poker chips, vouchers or other tokens exchangeable for cash by gaming entities; and credit cards, debit cards, gift cards, gift certificates or scrips.

"Transaction", a purchase, sale, loan, pledge, gift, transfer, delivery, or other disposition and, with respect to a financial institution, including, but not limited to, a deposit, withdrawal, 2874 bailment, transfer between accounts, exchange of currency, loan, extension of credit, purchase or 2875 sale of any stock, bond, certificate of deposit or other monetary instrument, use of a safe deposit box or any other payment, transfer or delivery by, through, or to a financial institution, by whatever means effected.

Section 2. Whoever knowingly:

- 2880 (1) transports or possesses a monetary instrument or other property that was derived from 2881 criminal activity with the intent to promote, carry on or facilitate criminal activity;
- 2882 (2) engages in a transaction involving a monetary instrument or other property known to 2883 be derived from criminal activity:
 - with the intent to promote, carry on or facilitate criminal activity; or (i)

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- 2885 (ii) knowing that the transaction is designed in whole or in part either to: (A) conceal 2886 or disguise the nature, location, source, ownership or control of the property derived from criminal activity; or (B) avoid a transaction reporting requirement of this chapter, of the United 2887 2888 States, or of any other state; or
- (3) directs, organizes, finances, plans, manages, supervises or controls the transportation 2890 of, or transactions in, monetary instruments or other property known to be derived from criminal activity or which a reasonable person would believe to be derived from criminal activity shall be guilty of the crime of money laundering and shall be punished by imprisonment in the state prison for not more than 6 years or by a fine of not more than \$250,000 or twice the value of the property transacted, whichever is greater, or by both such imprisonment and fine. Whoever 2895 commits a second or subsequent such offense shall be punished by imprisonment in the state 2896 prison for not less than 2 years, but not more than 8 years or by a fine of not more than \$500,000 or 3 times the value of the property transacted, whichever is greater, or by both such imprisonment and fine.
- 2899 Section 3. (a) A financial institution shall file with the attorney general a copy of any and all reports required by the Currency and Foreign Transactions Act, set forth in 31 U.S.C., 2901 sections 5311 through 5315, 31 C.F.R. 103.
- (b) A financial institution, or any officer, employee, or agent of a financial institution that 2903 maintains and files a record or report under this section shall not be liable to its customer, to a 2904 state or local agency, or to any person for any loss or damage caused in whole or in part by the 2905 making, filing or governmental use of the record or report, or any information contained in the 2906 record or report. Nothing in this chapter shall be construed to give rise to a private cause of 2907 action for relief or damages. This subsection shall not preclude a financial institution, in its 2908 discretion, from instituting contact with, and then communicating with and disclosing customer 2909 financial records to appropriate federal, state or local law enforcement agencies if the financial 2910 institution has reason to suspect that the records or information demonstrate that the customer has violated this chapter.
- 2912 (c) Any report, record or information obtained by the attorney general under this section shall not be a public record under clause Twenty-sixth of section 7 of chapter 4 or section 10 of 2913 chapter 66 and shall not be subject to disclosure, except to other state and federal law 2915 enforcement agencies.

- 2916 (d) Any violation of this section shall be punished by a fine of \$100 for each report not 2917 filed.
- 2918 (e) The timely filing of complete and accurate reports required under subsection (a) with 2919 the appropriate federal agency shall constitute compliance with the requirements of subsection 2920 (a).
- Section 4. All monetary instruments or other property, real, intellectual or personal, obtained directly as a result of a violation of section 2, shall be subject to forfeiture to the commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j), inclusive, of section 47 of chapter 94C. For the purposes of subsection (d) of said section 47 of said chapter 94C, the investigations and enforcement bureau of the Massachusetts gaming commission established in chapter 23K shall be considered a police department and shall be entitled to a police department's distribution of forfeiture proceedings.
- SECTION 48. Section 6 of chapter 268B of the General Laws, as appearing in section 95 of chapter 28 of the acts of 2009, is hereby amended by adding the following paragraph:-
- For the purposes of this section, a person who holds a license issued by the Massachusetts gaming commission, who was required to apply for that license pursuant to section 14 of chapter 23X, shall be considered a legislative agent.
- SECTION 49. Section 1 of chapter 271 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by inserting after the word "gaming", in lines 3 and 4, the following words:-, except as permitted under chapter 23K.
- SECTION 50. Section 2 of said chapter 271, as so appearing, is hereby amended by striking out the words "in any", in line 14, and inserting in place thereof the following words:-, except as permitted under chapter 23K, in any.
- SECTION 51. Section 3 of said chapter 271, as so appearing, is hereby amended by striking out, in line 1, the word "Every" and inserting in place thereof the following words:Except as permitted under chapter 23K, every.
- SECTION 52. Section 5 of said chapter 271, as so appearing, is hereby amended by striking out, in line 1, the word "keeps", and inserting in place thereof the following words:-, except as permitted under chapter 23K, keeps.
- SECTION 53. The second paragraph of section 5A of said chapter 271, as so appearing, is hereby amended by adding the following paragraph:-
- This section shall not apply to persons who manufacture, transport, sell, offer for sale, store, display, repair, recondition, possess or use any gambling device or parts for use in such a device for licensed gaming conducted under chapter 23K.

SECTION 54. Section 6 of said chapter 271, as so appearing, is hereby amended by striking out, in lines 3 and 4, the words "gambling or unlawful game" and inserting in place thereof the words:- illegal gaming.

SECTION 55. Section 7 of said chapter 271, as so appearing, is hereby amended by inserting after the word "device", in line 7, the first time it appears, the following words:- that is not taking place in a gaming establishment licensed pursuant to chapter 23K.

SECTION 56. Said chapter 271 is hereby further amended by striking out section 8, as so appearing, and inserting in place thereof the following section:

Section 8. Whoever owns, occupies or is in control of a house, shop or building and knowingly permits the establishing, managing or drawing of a lottery, or the disposal or attempt to dispose of property, or the sale of a lottery ticket or share of a ticket, or any other writing, certificate, bill, token or other device purporting or intended to entitle the holder, bearer or any other person to a prize or to a share of or interest in a prize to be drawn in a lottery, or in the disposal of property, and whoever knowingly allows money or other property to be raffled for or won by throwing or using dice or by any other game of chance that is not being conducted in a gaming establishment licensed under chapter 23K, shall be punished by a fine of not more than \$2,000 or by imprisonment in the house of correction for not more than 1 year.

SECTION 57. Section 14 of said chapter 271, as so appearing, is hereby amended by inserting after the word "by", in line 3, the first time it appears, the following words:- illegal gaming, including games of.

SECTION 58. Section 16A of said chapter 271, as so appearing, is hereby amended by inserting after the word "wagerers", in line 14, the following words:- or persons who organize, supervise, manage or finance persons for the purpose of legal gaming conducted under chapter 23K.

SECTION 59. Section 17 of said chapter 271, as so appearing, is hereby amended by adding the following sentence: - This section shall not apply to a person who organizes, supervises, manages or finances another person for the purpose of gaming conducted in accordance with chapter 23K.

SECTION 60. Section 19 of said chapter 271, as so appearing, is hereby amended by inserting after the word "hazard", in line 16, the following sentence:- This section shall not apply to advertising of gaming conducted pursuant to chapter 23K.

SECTION 61. Section 20 of said chapter 271, as so appearing, is hereby amended by adding the following sentence: Nothing in this section shall prohibit a gaming establishment licensed under chapter 23K from posting, advertising or displaying materials relevant to its gaming operations.

SECTION 62. Section 22 of said chapter 271, as so appearing, is hereby amended by inserting after the word "of", in line 6, the third time it appears, the following word:- illegal.

SECTION 63. Section 23 of said chapter 271, as so appearing, is hereby amended by inserting after the word "for", in line 28, the following words:-; provided, however, that such provisions shall not apply to gaming conducted pursuant chapter 23K.

SECTION 64. Section 28 of said chapter 271, as so appearing, is hereby amended by inserting after the word "of", in line 3, the third time it appears, the following word:- illegal.

SECTION 65. Section 31 of said chapter 271, as so appearing, is hereby amended by inserting after the word "both", in line 8, the following sentence: - This section shall not apply to racing conducted pursuant to chapter 23K.

SECTION 66. The General Laws are hereby amended by inserting after chapter 271 the following chapter:-

2997 Chapter 271A

2998 Enterprise Crime.

Section 1. As used in this chapter, the following words shall, unless the context clearly requires otherwise, have the following meanings:

3001 "Criminal enterprise activity", the commission, attempt to commit or conspiracy to 3002 commit or the solicitation, coercion, aiding, abetting or intimidation of another to commit any of 3003 the following criminal activity under the laws of the commonwealth or equivalent crimes under 3004 the laws of any other jurisdiction: a violation of any criminal provision of chapter 23K; a felony 3005 offense under chapter 271; distributing, dispensing, manufacturing, or possession with intent to distribute, dispense or manufacture a controlled substance in violation of chapter 94C; murder; 3006 rape; manslaughter, not including motor vehicle homicide; assault; assault and battery; assault 3007 and battery in order to collect a loan; assault with intent to rob or murder; poisoning; mayhem; robbery; extortion; stalking; criminal harassment; kidnapping; arson; burglary; malicious 3009 3010 destruction of property; commission of a felony for hire; breaking and entering; child 3011 exploitation; assault and battery on a child; rape of a child; rape and abuse of a child; enticement 3012 of a child under 16; human trafficking; violation of constitutional rights under section 37 of 3013 chapter 265; usury; uttering; misuse or fraudulent use of credit cards under section 37C of 3014 chapter 266; identity fraud; misappropriation of funds; gross fraud under section 76 of chapter 3015 276; insurance fraud; unlawful prize fighting or boxing matches; counterfeiting; perjury; 3016 subornation of perjury; obstruction of justice; money laundering; witness intimidation; bribery; electronic eavesdropping; prostitution under sections 2, 3, 4A, 4B, 6, 7, 12 and 13 of chapter 3017 3018 272; receiving stolen property; larceny over \$250; larceny by false pretenses or embezzlement;

3019 forgery; procurement fraud; false claims; tax evasion; filing false tax returns; or any conduct 3020 defined as a racketeering activity under Title 18, U.S.C. s. 1961(1)(A)(B) and (D).

3021 "Enterprise", an entity including any individual, sole proprietorship, partnership, 3022 corporation, association, trust or other legal entity and any unchartered union or group of persons 3023 associated in fact although not a legally recognized entity.

"Gaming establishment", an establishment licensed under chapter 23K.

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"Pattern of criminal enterprise activity", engaging in at least 3 incidents of criminal 3026 enterprise activity that have the same or similar pattern, intents, results, accomplices, victims or 3027 methods of commission, or are otherwise interrelated by distinguishing characteristics and are not isolated incidents; provided, however, that at least 1 of the incidents occurred after the 3028 effective date of this chapter, and the last incident occurred within 5 years of another incident of 3030 criminal enterprise activity.

"Unlawful debt", a debt which was incurred or contracted in an illegal gambling activity or business; or which is unenforceable under state or federal law, in whole or in part, as to principal or interest under the law relating to usury.

Section 2. Whoever knowingly: (1) through a pattern of criminal enterprise activity or through the collection of an unlawful debt acquires or maintains, directly or indirectly, an interest 3036 in or control of an enterprise which is engaged in, or the activities of which affect, licensed gaming under chapter 23K or ancillary industries which do business with a gaming 3037 3038 establishment; (2) having received proceeds derived, directly or indirectly, from a pattern of 3039 criminal enterprise activity or through the collection of an unlawful debt, uses or invests, directly 3040 or indirectly, part of the proceeds including proceeds derived from the investment, in the 3041 acquisition of an interest in real property to be used in connection with licensed gaming, or in the 3042 establishment or operation of, an enterprise which is engaged in, or the activities of which affect, 3043 licensed gaming operations or ancillary industries which do business with a gaming 3044 establishment; (3) is employed by or associated with an enterprise to conduct or participate, 3045 directly or indirectly, in the conduct of the enterprise's affairs or activities which affect licensed 3046 gaming operations or ancillary industries which do business with a gaming establishment by 3047 engaging in a pattern of criminal enterprise activity or through the collection of an unlawful debt; 3048 or (4) conspires or attempts to violate subsections (1), (2), or (3) of this section or attempts to so conspire; shall be guilty of enterprise crime and shall be punished by imprisonment in the state prison for not more than 15 years or by a fine of not more than \$25,000, or by both such imprisonment and fine.

Nothing in this chapter shall prohibit the purchase of securities on the open market for purposes of investment made without the intention of controlling or participating in the control of the issuer, or of assisting another to do so, if the securities of the issuer held by the: (i) purchaser; (ii) members of the purchaser's immediate family; or (iii) the purchaser's accomplices

- in any pattern of criminal activity for the collection of an unlawful debt after such purchase do not amount, in the aggregate, to 1 per cent of the outstanding securities of any 1 class and do not confer, either in law or in fact, the power to elect 1 or more directors of the issuer.
- Section 3. All monetary proceeds or other property, real, intellectual or personal, obtained directly as a result of a violation of this chapter, shall be subject to seizure and forfeiture to the commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j), inclusive of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said chapter 94C, the investigation and enforcement bureau of the Massachusetts gaming commission established under chapter 23K shall be considered a police department, entitled to a police department's distribution of forfeiture proceedings.
- SECTION 67. Section 39 of chapter 272 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by inserting after the word "in", in line 7, the following word:- illegal.
- SECTION 68. The first paragraph of section 12A of chapter 494 of the acts of 1978 is hereby amended by striking out the words "and until January 31, 2012", inserted by section 1 of chapter 77 of the acts of 2011, and inserting in place thereof the following words:- and until July 3072 31, 2014.
- SECTION 69. The last paragraph of said section 12A of said chapter 494 is hereby amended by striking out the words "January 31, 2012", inserted by section 2 of said chapter 77, and inserting in place thereof the following words:- July 31, 2014.
- SECTION 70. The introductory paragraph of section 13 of said chapter 494 is hereby amended by striking out the words "and until January 31, 2012", inserted by section 3 of said chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.
- SECTION 71. Said section 13 of said chapter 494 is hereby further amended by striking out clause (c), as appearing in section 2 of chapter 114 of the acts of 1991.
- SECTION 72. Clause (d) of said section 13 of said chapter 494, as so appearing, is hereby amended by striking out, in line 21, the words ", (b) or (c)" and inserting in place thereof the following words:- or (b).
- SECTION 73. Said section 13 of said chapter 494 is hereby further amended by striking out subsection (f), as so appearing.
- SECTION 74. Section 15 of said chapter 494 is hereby amended by striking out the words "and until January 31, 2012", inserted by section 4 of said chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.

- SECTION 75. The first paragraph of section 9 of chapter 277 of the acts of 1986 is hereby amended by striking out the words "and until January 31, 2012", inserted by section 5 of said chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.
- SECTION 76. The first sentence of the first paragraph of section 3 of chapter 114 of the acts of 1991 is hereby amended by striking out the words "and until January 31, 2012", inserted by section 6 of said chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.
- 3096 SECTION 77. The last paragraph of said section 3 of said chapter 114 is hereby 3097 amended by striking out the words "January 31, 2012", inserted by section 7 of said chapter 77, 3098 and inserting in place thereof the following words:- July 31, 2014.
- SECTION 78. The first paragraph of section 4 of said chapter 114 is hereby amended by striking out the words "and until January 31, 2012", inserted by section 8 of said chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.
- SECTION 79. The last paragraph of said section 4 of said chapter 114 is hereby amended by striking out the words "January 31, 2012", inserted by section 9 of said chapter 77, and inserting in place thereof the following words:- July 31, 2014.
- SECTION 80. The first paragraph of section 5 of said chapter 114 is hereby amended by striking out the words "and until January 31, 2012", inserted by section 10 of said chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.
- SECTION 81. Section 13 of chapter 101 of the acts of 1992 is hereby repealed.
- SECTION 82. Section 45 of chapter 139 of the acts of 2001 is hereby amended by striking out the words "January 31, 2012", inserted by section 12 of said chapter 77, and inserting in place thereof the following words:- July 31, 2014.
- SECTION 83. Section 20 of chapter 449 of the acts of 2006 is hereby amended by striking out the words "January 31, 2012", inserted by section 13 of said chapter 77, and inserting in place thereof the following words:- July 31, 2014.
- SECTION 84. (a) Notwithstanding section 5 of chapter 128A of the General Laws or any other general or special law or rule or regulation to the contrary, the greyhound meeting licensee located in Bristol county and the greyhound meeting licensee located in Suffolk county shall not be eligible for purse assistance pursuant to clause (6) of subsection (h) of said section 5.
- 3119 (b) Notwithstanding chapters 128A and 128C of the General Laws or any other general or 3120 special law or rule or regulation to the contrary, amounts from unclaimed winnings and breaks 3121 generated by the greyhound meeting licensee located in Bristol county and the greyhound

meeting licensee located in Suffolk county shall be dedicated to the Racing Stabilization Fund established in subsection (a) of section 85.

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(c) Notwithstanding section 14 of chapter 77 of the acts of 2011 or any other general or special law, rule or regulation to the contrary, the greyhound meeting licensee located in Bristol county and the greyhound meeting licensee located in Suffolk county shall, unless otherwise provided in this act, be subject to chapter 128A and 128C of the General Laws and chapter 139 of the acts of 2001.

3129 SECTION 85. (a) Notwithstanding any general or special law or rule or regulation to the 3130 contrary, there shall be a Racing Stabilization Fund that shall be administered by the Massachusetts Gaming Commission, hereinafter known as the commission, established pursuant 3131 3132 to chapter 23K of the General Laws. The fund shall consist of all revenues dedicated pursuant to 3133 this act. Any balance in the fund at the end of the fiscal year shall not revert to the General Fund; provided, however, that the commission shall distribute to owners and lessees of 3134 3135 greyhound dogs who have raced in calendar year 2009 for the humane care, maintenance and 3136 adoption of those greyhound dogs, a sum equal to 1 per cent of the total amount wagered at each 3137 racing meeting licensee within the commonwealth acting as a guest track and simulcasting a live 3138 greyhound race from a host track from outside the commonwealth provided, however, that 3139 before any such amount is distributed, the commission shall develop a method and criteria by 3140 which to distribute such funds in an equitable manner among dog owners. The commission shall 3141 distribute to kennel owners who housed greyhound dogs who have raced in calendar year 2009 3142 for the humane care, maintenance and adoption of those greyhound dogs, a sum equal to 1.5 per 3143 cent of the total amount wagered at each racing meeting licensee within the commonwealth acting as a guest track and simulcasting a live greyhound race from a host track from outside 3145 commonwealth; provided, however, that before any amount is distributed, the commission shall 3146 develop a method and criteria by which to distribute such funds in an equitable manner among 3147 kennel owners; and provided further, the commission shall begin payments to kennel owners in 3148 April 2012. Such payments shall be paid on a biweekly basis beginning on April 12, 2012.

- 3149 (b) Notwithstanding section 12A of chapter 494 of the acts of 1978 or any other general or special law or rule or regulation to the contrary, after July 31, 2011, the comptroller shall 3150 transfer all monies deposited in the Greyhound Capital Improvements Trust Fund and the 3151 3152 Greyhound Promotional Trust Fund, each established under said section 12A of said chapter 494, 3153 to the Racing Stabilization Fund established in subsection (a). After July 31, 2011, the 3154 comptroller shall transfer any revenues deposited into the Greyhound Capital Improvements Trust Fund and the Greyhound Promotional Trust Fund into the Racing Stabilization Fund within 3155 3156 10 days after receipt of those revenues.
- 3157 (c) Notwithstanding any general or special law to the contrary, the greyhound meeting 3158 licensee located in Bristol county and the greyhound meeting licensee located in Suffolk county 3159 shall report monthly to Massachusetts gaming commission established under chapter 23K of the

3160 General Laws on their net and gross revenue, including an itemization of premiums received, 3161 fees received and any amounts dedicated to purse accounts, the Greyhound Capital 3162 Improvements Trust Fund and the Greyhound Promotional Trust Fund. The report shall include 3163 the number of part-time and full-time staff employed by the licensees at the close of the previous 3164 month. The report shall also include the total amount of premiums paid to the harness horse 3165 meeting licensees located in Norfolk county and the running horse meeting licensee located in 3166 Suffolk county. Failure to file the report on the tenth day of each month shall be cause for 3167 suspension of the greyhound meeting license. The commission shall forward all such reports to 3168 the house and senate committees on ways and means, the joint committee on economic 3169 development and emerging technologies and the joint committee on labor and workforce development. The greyhound meeting licensee located in Bristol county and the greyhound 3170 3171 meeting licensee located in Suffolk county shall also prepare a report of all funds received and 3172 disbursed for calendar years 2010 and 2011. The report shall also be filed with the commission 3173 not later than January 31, 2012, and the commission shall forward the reports to the house and 3174 senate committees on ways and means, the joint committee on economic development and emerging technologies and the joint committee on labor and workforce development. 3175

(d) Notwithstanding any general or special law, rule or regulation to the contrary, monies 3177 in the Racing Stabilization Fund established in subsection (a) may be used to assist efforts to 3178 secure alternative employment and retraining opportunities for displaced workers impacted by 3179 the enactment of chapter 388 of the acts of 2008 including, but not limited to, coordinating the 3180 delivery of available state and federal resources and services; provided, however, that such funds from the fund shall only be expended after all federal funds from the Workforce Investment Act and the American Reinvestment and Recovery Act have been exhausted; provided further, that state funds shall be distributed in accordance with subsection (a).

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(e) Notwithstanding any general or special law to the contrary, upon the effective date of this act, the comptroller shall transfer all monies from the Racing Stabilization Fund established pursuant to chapter 167 of the acts of 2009, as amended by section 14 of chapter 86 of the acts of 2010, to the Racing Stabilization Fund established herein.

SECTION 86. Notwithstanding any general or special law to the contrary, in making initial appointments to the Massachusetts gaming commission established in chapter 23K of the 3190 General Laws, of the members to be appointed by majority agreement of the governor, the attorney general and the treasurer and receiver general, 1 commissioner shall be appointed for a 3191 term of 3 years and 1 shall be appointed for a term of 4 years. The commissioner to be appointed 3192 by the treasurer and receiver general shall serve for a term of 5 years, the commissioner to be appointed by the attorney general shall serve for a term of 6 years and the commissioner appointed by the governor shall serve for a term of 7 years.

SECTION 87. The chair of the Massachusetts gaming commission shall consider current 3197 employees of the state racing commission as eligible for employment with the commission and

3198 shall, subject to all other requirements and conditions of employment under chapter 23K of the 3199 General Laws, give preference to such individuals when making such employment decisions.

3200 SECTION 88. A gaming licensee awarded a gaming license under chapter 23K of the 3201 General Laws shall show preference in hiring to qualified persons permanently employed as of 3202 June 1, 2010 at a facility authorized to conduct simulcasting under chapter 128C of the General 3203 Laws that was in operation on June 1, 2010 within the region for which the gaming license was 3204 granted if that facility terminates operation within 1 year of the Massachusetts gaming 3205 commission awarding the gaming license, subject to all other requirements and conditions of 3206 employment under said chapter 23K; provided, however, that a facility authorized to conduct 3207 simulcasting shall provide employment data on the number, names and addresses of employees 3208 in permanent employment with that facility as of June 1, 2010 to the commission to assist the 3209 gaming licensee in meeting this obligation.

3210 SECTION 89. (a) Notwithstanding any general or special law or rule or regulation to the contrary, the governor may enter into a compact with a federally recognized Indian tribe in the 3211 commonwealth. 3212

- 3213 (b) The Massachusetts gaming commission shall, upon request of the governor, provide assistance to the governor in negotiating such compact. 3214
- 3215 (c) The governor shall only enter into negotiations under this section with a tribe that has 3216 purchased, or entered into an agreement to purchase, a parcel of land for the proposed tribal gaming development and scheduled a vote in the host communities for approval of the proposed 3217 3218 tribal gaming development.
- 3219 (d) A compact negotiated and agreed to by the governor and tribe shall be submitted to the general court for approval. 3220

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(e) Notwithstanding any general or special law or rule or regulation to the contrary, if a 3222 mutually agreed-upon compact has not been negotiated by the governor and Indian tribe or if such compact has not been approved by the general court before July 31, 2012, the commission shall issue a request for applications for a category 1 license in Region C pursuant to chapter 3225 23K of the General Laws not later than October 31, 2012; provided, however, that if, at any time 3226 on or after August 1, 2012 the commission determines that the tribe will not be granted land-intrust by the Bureau of Indian Affairs at the United States Department of the Interior, the 3228 commission shall consider bids for a category 1 license in Region C under said chapter 23K.

3229 SECTION 90. Notwithstanding section 2 of chapter 128A of the General Laws and 3230 sections 1, 2 and 2A of chapter 128C of the General Laws or any other general or special law, 3231 rule or regulation to the contrary, the greyhound meeting licensee located in Bristol county and the greyhound meeting licensee located in Suffolk county licensed to conduct live racing 3232 pursuant to said chapter 128A and simulcast wagering pursuant to said chapter 128C in calendar 3233

- 3234 year 2011, shall remain licensed as greyhound racing meeting licensees until July 31, 2014;
- provided, however, that the days between January 1 and July 31 of each year shall be dark days
- 3236 pursuant to said chapter 128C and the licensees shall continue to be precluded from conducting
- 3237 live racing during that period and as provided in chapter 388 of the acts of 2008; provided
- 3238 further, that all simulcasts shall comply with the Interstate Horse Racing Act of 1978, 15 U.S.C.
- 3239 Sec. 3001 et seq. or other applicable federal law; provided further, that all simulcasts from states
- 3240 which have racing associations that do not require approval in compliance with the Interstate
- 3241 Horse Racing Act of 1978, 15 U.S.C. Sec. 3004 (a) (1) (A), except simulcasts during the month
- 3242 of August, shall require the approval of the New England Horsemen's Benevolent and Protective
- 3243 Association prior to being simulcast to a racing meeting licensee within the commonwealth; and
- 3244 provided further, that if the association agrees to approve the simulcast for 1 racing meeting
- licensee, it shall approve the simulcast for all otherwise eligible racing meeting licensees.
- 3246 SECTION 91. (a) There shall be established and set up on the books of the
- 3247 commonwealth a Gaming Licensing Fund which shall receive all licensing fees collected from
- 3248 applicants in receipt of a category 1 or category 2 license under chapter 23K of the General
- 3249 Laws. The fund shall expire on December 31, 2015. The commission shall be the trustee of the
- 3250 fund and shall transfer monies in the fund as follows:;
- 10 per cent to the Community Mitigation Fund established in section 61 of
- 3252 chapter 23K of the General Laws.
- 3253 (2) 14.5 per cent to the Transportation Infrastructure and Development Fund
- 3254 established in section 62 of chapter 23K of the General Laws.
- 3255 (3) 11 per cent to the Local Capital Projects Fund established in section 2EEEE of
- 3256 chapter 29 of the General Laws.
- 3257 (4) 15.5 per cent to the Manufacturing Fund established in section 96.
- 3258 (5) 19.5 per cent to the Community College Fund established in section 97.
- 3259 (6) 1.5 per cent to the Tourism Fund established in section 35J of chapter 10 of the
- 3260 General Laws.
- 3261 (7) 23 per cent to the Healthcare Payment Reform Fund established in section 99.
- 3262 (8) 5 per cent shall be remitted to the comptroller for deposit into the Local Aid
- 3263 Stabilization Fund, established in section 2CCCC of chapter 29 of the General Laws;
- 3264 (b) Upon receipt by the Massachusetts gaming commission of license fees from
- 3265 licensees, interim transfers and payments shall be made on a pro rata basis from the Gaming
- 3266 Licensing Fund as provided in clauses (1) and (2) of subsection (a); provided, however, that no
- transfer or payment under said clauses (1) and (2) of said subsection (a) shall occur until the fund

reimburses \$20,000,000 to the Commonwealth Stabilization Fund as required by subsection (c) of section 92 of this act.

SECTION 92. (a) Within 30 days after the effective date of this act, the comptroller shall transfer \$15,000,000 from the Commonwealth Stabilization Fund established in section 2H of chapter 29 of the General Laws to the Massachusetts gaming commission for the start-up and operational costs of implementing chapter 23K of the General Laws.

- 3274 (b) Within 10 days after the effective date of this act, the comptroller shall transfer 3275 \$5,000,000, from the Commonwealth Stabilization Fund established in section 2H of chapter 29 3276 of the General Laws to the General Fund.
- 3277 (c) Upon receipt by the Massachusetts gaming commission of sufficient license fees from 3278 licensees under chapter 23K of the General Laws, the commission shall transfer \$20,000,000 to 3279 the Commonwealth Stabilization Fund established in section 2H of chapter 29 of the General 3280 Laws.

3281 SECTION 93. Notwithstanding any general or special law to the contrary, in the second 3282 fiscal year in which a deposit is made into the Gaming Local Aid Fund under clause (e) of 3283 paragraph (2) of section 59 of chapter 23K the General Laws, the commission shall transfer from 3284 the Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 3.125 per 3285 cent of the gross gaming revenue received from a category 1 establishment. In the third fiscal year in which a deposit is made into the Gaming Local Aid Fund under said clause (e) of said 3286 paragraph (2) of said section 59 of said chapter 23K, the commission shall transfer from the 3287 3288 Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 6.25 per cent 3289 of the gross gaming revenue received from a category 1 establishment. In the fourth fiscal year 3290 in which a deposit is made into the Gaming Local Aid Fund under said clause (e) of said 3291 paragraph (2) of said section 59 of said chapter 23K, the commissioner shall transfer from 3292 Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 9.375 per cent 3293 of the gross gaming revenue received from a category 1 establishment. In the fifth fiscal year in 3294 which a deposit is made into the Gaming Local Aid Fund under said clause (e) of said paragraph 3295 (2) of said section 59 of said chapter 23K and in all subsequent fiscal years, the commission shall 3296 transfer from the Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 12.5 per cent of the gross gaming revenue received from a category 1 establishment. 3297

SECTION 94. The governing body of a host community which has accepted chapter 43D of the General Laws shall file a proposal with the interagency permitting board to designate the site proposed for a category 1 establishment as a priority development site. In a community which has not accepted said chapter 43D, the planning board shall designate a local permitting ombudsman, who shall be a planning board member of the host community or a member of the host community planning board's professional staff, to help coordinate and expedite local permitting of the category 1 establishment.

3305 SECTION 95. Notwithstanding any general or special law or rule or regulation to the 3306 contrary, a gaming establishment shall supply the Massachusetts gaming commission, hereinafter the commission, with customer tracking data collected or generated by loyalty programs, player 3307 tracking software, player card systems, online gambling transactions or any other information 3308 3309 system. The commission shall contract with an experienced nonprofit research entity to develop an anonymizing system that automatically removes from the data: (a) personally identifying 3310 information, including player name, street address, bank or credit information and the last 4 3311 digits of a player's zip code, in compliance with section 2 of chapter 93H of the General Laws; and (b) game identifying information, including game name and device manufacturing company, 3314 in protection of corporate intellectual property. The data shall retain information on player characteristics including, but not limited to, gender, age and region of residence, player behavior 3315 including, but not limited to, frequency of play, length of play, speed of play, denomination of play, amounts wagered and, if applicable, number of lines or hands played and characteristics of 3317 3318 games played including, but not limited to, reel configuration, return-to-player or RTP, volatility 3319 index and denomination. The commission shall convey the anonymized data to a research facility which shall make the data available to qualified researchers for the purposes of: (1) 3320 3321 conducting analyses that improve understanding of how gambling addiction develops and 3322 progresses; (2) developing evidence-based harm minimization strategies; and (3) developing evidence-based systems to monitor, detect and intervene in high-risk gambling. The commission 3323 shall request reports on researcher analyses of the behavioral data, which could provided 3324 informed recommendation to the general court relative to more effective regulation of gambling 3325 operations. The commission may directly initiate studies assessing the effectiveness of any 3326 3327 specific measures, programs or interventions which the commonwealth has implemented in gaming operations and which might be illuminated through the behavioral data in question. 3328

3329 SECTION 96. There shall be established and set up on the books of the commonwealth a Manufacturing Fund. The fund shall be credited with any monies transferred under section 91 3330 3331 and any monies credited or transferred to the fund from any other fund or source.

3332 SECTION 97. There shall be established and set up on the books of the commonwealth a 3333 Community College Fund. The fund shall be credited with any monies transferred under section 3334 91 and any monies credited or transferred to the fund from any other fund or source.

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SECTION 98. There shall be established and set up on the books of the commonwealth a Healthcare Payment Reform Fund. The fund shall be credited with any monies transferred under section 91 and any monies credited or transferred to the fund from any other fund or source.

SECTION 99. Pursuant to section 2 of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171-1177, entitled "An act to prohibit transportation of gaming devices in interstate and foreign 3339 commerce", approved January 2, 1951, the commonwealth, acting by and through its duly 3340 elected and qualified members of the general court, hereby declares and proclaims that it shall be exempt from the provisions of chapter 1194, 64 Stat. 1134, and also designated as 15 U.S.C. 117

3343 -1178 for any gambling device authorized for use and transport under chapter 23K of the General 3344 Laws and any regulations promulgated thereunder.

3345 SECTION 100. Notwithstanding any general or special law to the contrary, all shipments of gambling devices into the commonwealth, including slot machines, the registering, recording 3347 and labeling of which has been duly had by the manufacturer or dealer thereof in accordance with sections 3 and 4 of "An act to prohibit transportation of gambling devices in interstate and 3348 3349 foreign commerce,", 15 USC §§ 1171-1177, shall be deemed legal shipments thereof into the commonwealth. 3350

SECTION 101. Notwithstanding any general or special law to the contrary, the 3352 Massachusetts gaming commission shall analyze the laws relating to charitable gaming, raffles and bazaars in effect on the effective date of this act, including section 7A of chapter 271. The analysis shall include a review of the efficacy of those laws and the need to update, redraft or 3355 repeal said laws. The commission shall report its findings and recommendations, together with 3356 drafts of legislation necessary to carry those recommendations into effect, by filing the same 3357 with the clerks of the senate and house of representatives and with the house and senate chairs of 3358 the joint committee on economic development and emerging technologies not later than April 1, 3359 2012.

3360 SECTION 102. Notwithstanding any general or special law to the contrary, the 3361 Massachusetts gaming commission, established by chapter 23K of the General Laws, shall analyze the pari-mutuel and simulcasting laws in effect on the effective date of this act. The 3362 analysis shall include a review of the efficacy of those laws and the need to replace those laws 3364 pursuant to the continuation of chapters 128A and 128C of the General Laws in this act. The analysis shall not address whether to increase the number of running horse, harness horse or 3366 greyhound racing meeting licensees in the commonwealth. The commission shall report its 3367 findings and recommendations, together with drafts of legislation necessary to carry those 3368 recommendations into effect, by filing the same with the clerks of the senate and house of representatives and with the house and senate chairs of the joint committee on economic 3370 development and emerging technologies not later than January 1, 2013.

3371 SECTION 103. The first report required under section 71 of chapter 23K shall be 3372 submitted not later than 2 years after the effective date of this act.

- 3373 SECTION 104. Clause 41 of section 4 of chapter 23K shall take effect on July 31, 2012.
- 3374 SECTION 105. Section 17 shall take effect on July 31, 2014.

- 3375 SECTION 106. Section 31 shall be effective for tax years beginning January 1, 2012.
- 3376 SECTION 107. Section 32 shall take effect on December 31, 2018.
- 3377 SECTION 108. Sections 38 and 40 shall take effect on July 31, 2014.